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RECRUITING ENGINEERS:

REACHING JOB PROSPECTS BY NEWSPAPER ADVERTISING

This document is one of a series of marketing research reports prepared by the Newspaper Advertising Bureau, Inc., as a service to the newspaper business and its advertisers.

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HIGHLIGHTS

A national sample of engineers was surveyed to determine their prospects for changing jobs, the features they would seek and avoid in a job, their concerns about relocation and their willingness to relocate, and the process they go through in looking for a job. Just one in five engineers is a "Hot Prospect" for changing jobs in the next year; almost half are "Longshots." While nearly a third of the engineers rule out the possibility of relocation, three-quarters of the Hot Prospects are willing to consider relocating. Overall about four in ten are either Hot or Lukewarm Prospects (the latter may or may not change jobs) who are willing to consider relocating. Hot Prospects are the least satisfied of the three groups and have been with their current employers the shortest period of time; Longshots are the most satisfied and have the longest job tenure.

What Engineers Want in a Job

The most essential features that engineers seek in a job are (1) challenging work, (2) company integrity, (3) competitive salary, and (4) opportunities for advancement. Some engineers would place features like job stability, high caliber co-workers, the area where the job is located, product integrity, state-of-the-art technology, and medical benefits ahead of the four primary features, but they are a decided minority. Other fringe benefits and financial considerations that were frequently mentioned (e.g., pension plan, medical benefits, dental benefits, other fringe benefits, stock options, profit-sharing, and bonuses) were rarely viewed as paramount.

More than three out of four engineers would avoid a job with a company that provides an inferior product or service or where layoffs are too likely. Around half would also reject a job with a company that is undercapitalized or has poor R&D funding, where management is not people-oriented, and where they will be faced with "routine" work projects. Interestingly, while a competitive salary was named by about three-fourths as one of the three most important features to be sought in a job, only three in ten would reject a job outright because of a lower than competitive salary.

Relocation

Three out of ten engineers reject the idea of relocating, while the remainder are at least willing to entertain the possibility. Those who are willing to consider relocation are more concerned with finding challenging work, while those who rule out relocation are more concerned about salary, medical benefits, and the city or metropolitan area in which the job is located.

Paramount among engineers' concerns when they think about relocation are the attitude of the spouse and relocation assistance (e.g., moving expenses), both of which are considered critical by around three-fourths. At least half also find a substantial salary increase and immediate advancement in position, rank, or title to be a requirement. Interestingly, while the attitude of the spouse is critical to the decision to relocate, few engineers say that job availability or help in finding employment for the spouse are critical to the decision to relocate.

Hot Prospects express more concern with a number of concrete practical matters involved in relocating (e.g., difficulty in selling their house or apartment, help in financing a home in the new location, job availability for the spouse, the presence of alternate employers in the area) than do Longshots. These concerns may have more reality for them since they are now contemplating a job change. And those who reject the idea of relocation impose correspondingly more requirements on a decision to relocate than do those who are open to the idea.

Looking for a Job

While engineers consider word of mouth and personal contacts to be the best source of employment information, other useful sources include newspaper ads; executive search, placement, and employment agencies; and ads in trade publications or journals. Newspaper classified ads play an important role in providing engineers with information about employment opportunities -- whether or not they are actually looking for a job.

Sunday is the day that engineers most often read the employment ads, and eight out of ten Hot Prospects manage to look at newspaper employment classifieds at least once every couple of weeks. (Half read the ads once a week or more.) But even those who are at best ambivalent about changing jobs -- including about half of the Lukewarm Prospects and 4 in 10 of the Longshots -- look at the ads at least once a month.

Engineers want classified employment ads to contain hard information about the job being advertised and are less concerned with stylistic features of the ads. Of primary importance are the job description, job title, and required qualifications and experience. Job location, company name and/or logo, and salary are also considered very important by a sizeable minority.

Blind ads are uniformly unpopular and, according to 8 out of 10 engineers, unlikely to generate a response. Modifying a blind ad by either guaranteeing a response or guaranteeing that the resume will not be sent to companies designated by the applicant doubles the projected response rate but still leaves about 6 out of 10 engineers unwilling to respond.

The instructions given in the ad for contacting the company may also affect the response. Engineers prefer making a telephone call or sending a resume rather than attending an open house, mailing in an application coupon, or calling a job hotline, and they prefer to deal with the department head or person responsible for the hiring rather than the personnel department.

Conclusions and Recommendations

a. Although most engineers express satisfaction with their current employer, many who are less satisfied are contemplating making a change. About one in five of the engineers surveyed is ripe for changing jobs in the immediate future, while almost half are likely to stay put.

b. More than two-thirds of the engineers are open to the idea of relocation if they were to change jobs, but they have significant concerns about relocation that need to be addressed. Paramount among these concerns are the financial tradeoffs in making a move, particularly those relating to housing and living costs.

c. When thinking about a new job, the primary concern of engineers -- particularly those most serious about a job change -- is finding challenging work. Salary and fringe benefits are important, of course, but do not constitute a driving force in the job search.

d. Newspaper employment advertisers can take a number of steps to optimize the effectiveness of their ads with engineers -- particularly those who are likely to change jobs soon or who are open to relocation:

(1) Ensure that ads are high in substantive information about the position being advertised, particularly the title of the job, a thorough description of the duties, the name and location of the company (engineers are unlikely to respond to blind ads), and sufficient information about required qualifications and salary to suggest the level and scope of the position.

(2) Ask for a response by telephone and/or by sending a resume to someone having both technical oversight responsibility for the position and a role in selecting the applicant.

(3) Run ads on more than one Sunday to improve the chances of reaching the hottest prospects, as well as those who may be waiting for just the right opportunity to make a move.

(4) In attempting to recruit engineers from other parts of the country, determine whether the relative cost of living in the area suggests the need for aggressive marketing and/or financial incentives to address engineers' concerns about the cost of living and housing.

INTRODUCTION

This is one of three concurrent reports prepared by the Research Department of the Newspaper Advertising Bureau on the recruitment of professionals in high demand. This document reports on a survey of engineers; the remaining reports address the recruitment of computer professionals and nurses.

A 1983 qualitative study[1] conducted by Blanka Eckstein and her firm, Social Science Applications, laid the foundation for the current survey. Eckstein's study drew on two focus groups and 17 individual telephone interviews, and her findings contributed to the definition of the issues addressed in the current quantitative study, conducted in the fall of 1985. Both studies examined the propensity of engineers to change jobs and to relocate, the features they seek or avoid in a job, their concerns about relocation, and the process they go through when thinking of changing jobs. The ultimate goal of this two-stage research effort was to learn how newspapers can more effectively meet the complementary needs of prospective employers and prospective employees through advertising that mirrors the job search process of engineers and addresses their major concerns.

The study was designed by Leon Aron, Michael Macht and Stuart Tolley of the NAB Research Department, with input from Blanka Eckstein of Social

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[1] See Job Search and Recruitment Advertising Study: Engineers and Computer Professionals, October, 1983.

Science Applications and Ira Gordon of the NAB. Ann Miksovic of Response Analysis Corporation supervised the data collection (including pretesting). We gratefully acknowledge the help and support throughout the study of the Association of Newspaper Classified Advertising Managers and its study task force, including Jim Roberts of the Chicago Tribune, Jack Ross of the Philadelphia Inquirer, and Gail Hyland of the Los Angeles Times.

Carolyn Eldred of the NAB Research Department analyzed the data and authored this report.

How the Study Was Done

Response Analysis Corporation was responsible for the data collection for this study, which took the form of a mail survey following telephone screening for eligibility.

Field work began in the early fall of 1985. Potential respondents were first selected from a national list of engineers representing eight different engineering specialties (chemical, metallurgical, nuclear, petroleum, aeronautic, electrical, mechanical, and industrial); because a large number of engineers appearing on the list were subsequently found to be ineligible for the survey, nominations were also accepted. Minimum eligibility requirements included:

- Speciality in one of the engineering fields noted above.
- Employment for at least three years as an engineer.
- Graduation from a four-year accredited college.
- Age of 21 to 55.

During the screening call, eligible respondents were asked if they would complete a mail questionnaire, and 202 engineers agreed to participate. Questionnaires were mailed to those who agreed within a few days of the telephone call, and a second questionnaire was sent to those who had not responded within two weeks of the original mailing. Completed, usable questionnaires were returned by 157 engineers. (A copy of the questionnaire used in the survey is available on request from the NAB Research Department.)

How to Read This Report

Detailed survey findings are presented in Section I. They are organized around five topics: (a) prospects for changing jobs and relocating, (b) what engineers look for in a job, (c) what engineers avoid in a job, (d) engineers' concerns about relocation, and (e) how engineers look for a job. While the findings in the text are intended to stand alone, detailed tabulations of the engineers' responses to the survey questionnaire accompany and support the analysis.

Much of the analysis is based on comparisons of engineers who differ with respect to: (1) their likelihood of changing jobs soon, and (2) their willingness to relocate for a new job. In the sample of 157 engineers, broken into several sub-groups for analytical purposes, small differences between sub-groups can occur through chance variation alone. And other things being equal, as sub-groups get smaller differences must be larger in order to rule out the role of chance. This report discusses only the larger differences that are unlikely to be the result of chance factors, while presenting complete comparisons among the groups in the tables. Differences that indicate that one group exhibits more or less of a given attribute than another generally encompass a degree of overlap between the groups, however.

Some of the findings also include information on the strength of the association between two variables. These are expressed as correlation coefficients that can range from -1.00 to +1.00, with a higher absolute value indicating a stronger relationship. Again, only relationships of a magnitude unlikely to be the result of chance are discussed.

I. DETAILED FINDINGS

A. Prospects for Changing Jobs and Relocating

1. Overview

We sought to characterize the engineers both in terms of their prospects for job change and -- particularly for those who might change jobs -- their willingness to consider a job that would require relocation. Overall, just 20% can be considered "Hot Prospects" for job change, and 45% are "Longshots." About a third (35%) are "Lukewarm Prospects." However, some prospects -- 30% of the total group -- specifically rule out jobs involving relocation. Nonetheless, about three-quarters (77%) of the "Hot Prospects" are willing to consider relocating. And, about 4 in 10 engineers (39%) are either Hot or Lukewarm Prospects for job change who are also to some degree willing to consider a job involving relocation.

The engineers were classified into the three groups of prospects based on their answers to three questions:

(1) Are you actually looking for a job with another employer now?

(2) If no: Are you thinking about looking for a job with another employer now?

(3) Realistically, how likely is it that you will change employers in the next year or so?

"Hot Prospects" are those who are either looking for a job or thinking about doing so and who believe it very or somewhat likely that they will change jobs within a year. "Longshots" are neither looking for a job nor thinking about doing so and consider a job change in the next year not at all likely.

The remaining engineers are the "Lukewarm Prospects": those looking or who might look for a job but who lack conviction that they will change jobs, and those who are neither looking nor thinking about looking for a job but who believe a job change is somewhat or very likely. The Lukewarm Prospects thus constitute a more heterogeneous and less distinctive group than the Hot Prospects and the Longshots, and their job changing intentions are less clear and more varied. For this reason, the report emphasizes comparisons between the Hot Prospects and Longshots. Where significant differences between these groups are reported, Lukewarm Prospects occupy an intermediate position somewhere between the two.

Those who would rule out the possibility of relocation were identified through a question about reasons for rejecting potential employment:

> People reject potential employment opportunities for a number of reasons. Please rate each of the factors listed below in terms of how likely you would be to reject potential employment because of that factor.

The engineers considered 14 separate factors and rated each on a 10-point scale anchored by the points "would never reject the job" (#1) and "would always reject the job" (#10). Those who rated the factor "relocation necessary" with an 8, 9, or 10 were judged to have rejected relocation, while the remaining engineers were assumed to be at least somewhat open to the possibility of relocation.

Many of the tables that follow divide the engineers into Hot Prospects, Lukewarm Prospects, and Longshots for job change and further subdivide the first two groups — those who might change jobs — into two groups according to whether or not they are willing to consider relocation.[2] Because some of the resulting sub-groups are quite small, the reader should concentrate primarily on comparisons among the prospect groups and not try to draw inferences about relocation within those groups. To illustrate some of the issues related to relocation, additional tables are provided that compare those who reject relocation with those who might relocate, without regard to prospect status.

2. Backgrounds of Prospects and Those Who Might Relocate

We examined both personal and professional characteristics of the engineers. (See Tables 1 through 4.) Those surveyed are overwhelmingly male (98%) and most are currently married (88% overall). About the same proportion have a spouse who works full-time (35%) as have a spouse who does not work outside the home (37%). About 6 in 10 currently have children under 18 in the home.

The primary personal characteristic differentiating the three prospect groups is age, with Hot Prospects being younger than the rest: 84% of the Hot Prospects are 45 or less, as compared with 58% of the Lukewarm

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[2] In each table, the number of engineers falling into the various analytical groups is indicated at the top of each column. Because two engineers failed to respond to the relocation item used in the classification scheme, these column totals do not sum exactly to the overall total. Except where indicated, percentages shown in the tables are based on those engineers who actually responded to each item; in most cases item non-response was minimal.

Prospects and 60% of the Longshots. None of the personal characteristics examined -- including the employment status of the spouse -- distinguished those willing to consider relocation from those who reject the idea.

The engineers are evenly split between college graduates (49%) and those who have done graduate work (51%). Two-thirds of the group is accounted for by two specialties: mechanical engineering (36%) and electronics engineering (31%). About three-fourths (77%) earn at least $35,000 a year, and 69% have been with their current employer for more than five years. Almost all are either satisfied with their current employer (63%) or neutral (31%); just 6% are dissatisfied.

Hot Prospects and Longshots are further differentiated by their current salary, job tenure with their current employer, and their level of satisfaction with that employer. Nearly 3 in 10 of the Hot Prospects (29%) earn less than $35,000, compared to 1 in 10 (10%) of the Longshots, a fact that is probably a function of their relative youth. About half of the Hot Prospects (49%) have been with their current employer for five years or less, compared to 22% of the Longshots (and 33% of the Lukewarm Prospects); indeed, only about a fourth of the Hot Prospects (24%) have more than ten years tenure, compared to 59% of the Longshots (and 39% of the Lukewarm Prospects).

Hot Prospects are the least satisfied and Longshots the most satisfied with their current employers. Only a fifth (19%) of the Hot Prospects are satisfied with their current employer, and about a fourth (23%) are dissatisfied. (The remainder are neutral, neither particularly satisfied nor dissatisfied.) Dissatisfaction is rare or nonexistent among the Lukewarm Prospects and Longshots (6% and 0%, respectively), while satisfaction ranges from 57% among the Lukewarm Prospects to 86% among the Longshots.

The link between satisfaction and job tenure should not be surprising. Those who are dissatisfied are not only more interested in changing jobs but do in fact change jobs, leaving behind satisfied employees who remain with the same employer for many years.

Job dissatisfaction is also predictive of a willingness to consider relocation. Job dissatisfaction is greatest among the Hot Prospects who are willing to consider relocation (29%), followed by the Lukewarm Prospects who are willing to consider relocation (8%). All of the dissatisfied engineers said that they would consider relocation. At the same time, no one who rejected relocation outright expressed dissatisfaction with the current job.

Table 1

Engineers' Personal Characteristics

		Hot Prospects			Lukewarm Prospects			
			Consider Relocation?			Consider Relocation?		
Characteristic	Total	All	Yes	No	All	Yes	No	Long-shots
BASE	157	31	24	7	55	38	16	71
Age								
25 - 34	21%	32%	33%	29%	20%	21%	13%	17%
35 - 45	43	52	50	57	38	40	38	43
46 - 50	19	7	8	0	29	32	25	16
51 +	17	10	8	14	13	8	25	24
Sex								
Male	98	100	100	100	96	97	94	99
Female	2	0	0	0	4	3	6	1
Marital Status								
Currently married	88	84	83	86	87	87	94	90
Not currently married	12	16	17	14	13	13	6	10
Spouse's Employment Status								
Works full-time	35	42	38	57	40	50	19	28
Works part-time	18	16	21	0	16	13	25	20
Does not work outside the home	37	29	29	29	33	26	50	44
No answer/doesn't apply	10	13	13	14	11	11	6	8
Children Under 18 in Home								
None	42	35	39	17	43	46	31	44
One	24	17	13	33	26	27	25	25
Two	29	45	44	50	24	22	31	25
Three or more	6	3	4	0	7	5	13	6
Total Household Size								
One	7	7	4	14	7	3	13	7
Two	27	26	29	14	26	34	6	29
Three	25	19	17	29	26	29	19	27
Four	33	42	42	43	31	24	50	31
Five or more	8	7	8	0	11	11	13	6

Table 1 (Continued)

Source	Total	Hot Prospects All	Hot Prospects Consider Relocation? Yes	Hot Prospects Consider Relocation? No	Lukewarm Prospects All	Lukewarm Prospects Consider Relocation? Yes	Lukewarm Prospects Consider Relocation? No	Long-shots
BASE	157	31	24	7	55	38	16	71
Household Income								
Less than $35,000	9%	13%	13%	14%	11%	5%	25%	6%
$35,000 - $49,999	27	36	38	29	27	34	6	23
$50,000 or more	57	48	46	57	53	53	56	65
Not answered	7	3	4	0	9	8	13	7

Table 2

Engineers' Personal Characteristics by Propensity to Relocate

Characteristic	Total	Consider Relocation	Rule Out Relocation
BASE	157	108	47
Age			
25 - 34	21%	24%	13%
35 - 45	43	41	47
46 - 50	19	19	19
51 +	17	16	21
Sex			
Male	98	98	98
Female	2	2	2
Marital Status			
Currently married	88	87	92
Not currently married	12	13	9
Spouse's Employment Status			
Works full-time	35	35	34
Works part-time	18	19	15
Does not work outside the home	37	35	43
Not applicable/not answered	10	10	9
Children Under 18 in Home			
None	42	41	41
One	24	25	24
Two	29	28	30
Three or more	6	7	4
Total Household Size			
One	7	6	9
Two	27	28	23
Three	25	28	19
Four	33	29	45
Five or more	8	9	4
Household Income			
Less than $35,000	9	7	13
$35,000 - $49,999	27	28	23
$50,000 or more	57	57	60
Not answered	7	8	4

Table 3

Engineers' Professional Characteristics

		Hot Prospects			Lukewarm Prospects			
			Consider Relocation?			Consider Relocation?		
Characteristic	Total	All	Yes	No	All	Yes	No	Long-shots
BASE	157	31	24	7	55	38	16	71
Engineering Specialty								
Aeronautical	7%	3%	4%	0%	6%	9%	0%	10%
Chemical	9	13	13	14	10	14	0	8
Civil	1	0	0	0	0	0	0	2
Electronics	31	36	38	29	31	20	50	28
Industrial/Quality Control/Safety	5	13	13	14	6	9	0	2
Mechanical	36	32	29	43	39	40	38	36
Metallurgical	7	3	4	0	4	6	0	10
Petroleum	4	0	0	0	6	3	13	5
Education								
College Graduate	49	52	50	57	47	40	69	49
Graduate Work	51	48	50	43	53	61	31	51
Annual Salary								
Less than $35,000	15	29	29	29	15	11	25	10
$35,000 - $49,999	34	36	29	57	35	42	13	34
$50,000 or more	43	32	38	14	42	40	50	49
Not answered	7	3	4	0	9	8	13	7
Number of Job Changes in Engineering								
None	27	26	29	14	20	18	19	32
One	26	23	21	29	31	32	31	24
Two	20	19	25	0	26	29	19	17
Three	16	13	4	43	13	8	25	20
Four or more	11	19	21	14	11	13	6	7

Table 3 (Continued)

		Hot Prospects			Lukewarm Prospects			
			Consider Relocation?			Consider Relocation?		
Characteristic	Total	All	Yes	No	All	Yes	No	Long-shots
BASE	157	31	24	7	55	38	16	71
Years with Current Employer								
2 years or less	12%	26%	25%	29%	4%	3%	6%	11%
3 to 5 years	20	23	25	14	29	34	19	11
6 to 10 years	25	29	29	29	29	26	38	20
11 to 15 years	18	7	4	14	18	13	25	23
16 to 19 years	7	7	8	0	4	5	0	10
20 to 24 years	11	7	4	14	11	11	13	13
25 years or more	8	3	4	0	6	8	0	13
Satisfaction with Employer								
Satisfied (8, 9, & 10)	63	19	21	14	57	60	56	86
Neutral (4, 5, 6, & 7)	31	58	50	86	37	32	44	14
Dissatisfied (1, 2, & 3)	6	23	29	0	6	8	0	0

Question: How satisfied are you with your current employer on an overall basis? (10 point scale where 1 is extremely dissatisfied and 10 is extremely satisfied)

Table 4

Engineers' Professional Characteristics by Propensity to Relocate

Characteristic	Total	Consider Relocation	Rule Out Relocation
BASE	157	108	47
Engineering Specialty			
Aeronautical	7%	8%	7%
Chemical	9	12	4
Civil	1	1	0
Electronics	31	27	38
Industrial/Quality Control/Safety	5	7	2
Mechanical	36	34	40
Metallurgical	7	9	2
Petroleum	4	3	7
Education			
College Graduate	49	45	60
Graduate Work	51	55	40
Annual Salary			
Less than $35,000	15	12	23
$35,000 - $49,999	34	34	34
$50,000 or more	43	45	38
Not answered	7	8	4
Number of Job Changes in Engineering			
None	27	27	26
One	26	23	34
Two	20	24	13
Three	16	15	19
Four or more	11	11	9
Years with Current Employer			
2 years or less	12	11	13
3 to 5 years	20	21	15
6 to 10 years	25	26	23
11 to 15 years	18	16	21
16 to 19 years	7	9	2
20 to 24 years	11	8	17
25 years or more	8	8	9

Table 4 (Continued)

Characteristic	Total	Consider Relocation	Rule Out Relocation
BASE	157	108	47
Satisfaction with Employer			
Satisfied (8, 9, & 10)	63%	63%	64%
Neutral (4, 5, 6, & 7)	31	28	36
Dissatisfied (1, 2, & 3)	6	9	0

Question: How satisfied are you with your current employer on an overall basis? (10 point scale where 1 is extremely dissatisfied and 10 is extremely satisfied)

B. What Engineers Look for in a Job

1. Overview

The engineers were queried about 23 different features that they might look for in a job. They were asked to rate the relative importance of each feature and then to identify those features they would rank first, second, and third in importance:

> (1) RATING QUESTION: The list below contains a number of features that people like yourself often look for in a job. Please rate each one in terms of how important it is to you when looking for a job or when considering a new job.
>
> (Ratings were made on a 10-point scale anchored by "of no importance whatsoever" [#1] and "absolutely essential" [#10]. Ratings of 8, 9, and 10 are treated here as features important to the respondent.)
>
> (2) RANKING QUESTION: Please look over the list of items [rated above]. Select the three items that are most important to you.

The ratings provided the engineers the opportunity to endorse any feature that is important to them, while the rankings forced them to select the three "primary" factors that would be most critical in their assessment of a new job.

There was considerable agreement between the free choice of the ratings and the forced choice of the rankings. (See Tables 5 through 8.) Put another way, the four job features rated most highly accounted for the bulk of the first-, second-, and third-place rankings (termed "primary" in the discussion that follows). These features include: (1) challenging work, rated important by 89% and primary by 53%; (2) company integrity, rated important by 85% and ranked primary by 40%; (3) competitive salary, rated important by 76% and ranked primary by 45%; and (4) opportunities for advancement, rated important by 74% and ranked primary by 36%.

A number of job features frequently rated as important (i.e., by 40% to 70%), while not frequently ranked as primary, were nonetheless named by at least 10% of the engineers as being of primary importance. These include job stability, high caliber co-workers, the city or metropolitan area where the job is located, product integrity, the use of state-of-the-art technology, and medical benefits. Other features, including a variety of fringe benefits and working conditions, were endorsed by some engineers as important but were rarely deemed to be of primary importance.

With the exception of salary, engineers appear to be more concerned about intrinsic features of the job and its performance than about extrinsic features like working conditions and fringe benefits. Both concerns are present, however, and the interrelationships among each engineer's ratings of the 23 job features provide evidence for these two distinct motivational themes. There are substantial inter-correlations among ratings for a competitive salary, pension plan, medical benefits, dental benefits, other fringe benefits, stock options, profit-sharing, and bonuses. Challenging work stands apart and enjoys its only substantial correlation with state-of-the-art technology, (along with small but significant correlations with high caliber co-workers, company integrity, product integrity, and company reputation in the field).

2. Features Important to Prospects and Those Who Might Relocate

In their ratings of important features, the three groups of prospects look quite similar. Overall, it may be that Longshots are more demanding than Hot Prospects, but they place significantly more emphasis on only a few job features: job stability, high caliber co-workers, and a good office atmosphere.

In the ordering of their rankings of the three primary features, the prospect groups are also generally similar. However, the greater importance accorded opportunities for advancement differentiates the Hot Prospects from the Longshots, with 55% versus 25%, respectively, naming that job feature as primary. (Lukewarm Prospects hold an intermediate position, with 35% of this group emphasizing advancement opportunities.) Overall, Hot Prospects are somewhat more likely than other engineers to concentrate their votes on the top four factors (to the relative exclusion of the remaining 19), and they place an equally high emphasis on challenging work, competitive salary, and opportunities for advancement.

Engineers who are willing to consider relocation emphasize somewhat different job features than do those who rule out relocation. The former group is more likely to rate challenging work as important (94% versus 79%), while those who reject relocation are more concerned about medical benefits (77% versus 53%) and (not surprisingly) the location of the job (55% versus 36%).

In their ranking of the primary features, the two groups agree on the four most important features but place different emphases on challenging work and salary: 60% of those who might relocate view challenging work as first, second, or third in importance, compared with 34% of those who will not relocate; 66% of the latter place competitive salary at the top of the list compared to 35% of those who would consider a move.

Table 5

Engineers' Ratings of Features Wanted in a Job*

		Hot Prospects			Lukewarm Prospects			
			Consider Relocation?			Consider Relocation?		
Feature	Total	All	Yes	No	All	Yes	No	Long-shots
BASE	157	31	24	7	55	38	16	71
Challenging work	89%	94%	96%	86%	87%	90%	88%	88%
Company integrity	85	74	71	86	84	84	88	91
Competitive salary	76	77	71	100	75	74	75	75
Opportunities for advancement	74	71	67	86	76	76	75	73
Product integrity	67	65	63	71	73	68	88	64
Medical benefits	60	58	54	71	60	53	81	61
Recognition by superiors	59	55	63	29	64	66	56	57
Job stability	56	42	38	57	55	58	50	64
High caliber co-workers	48	29	25	43	49	47	56	55
State-of-the-art technology	47	39	38	43	44	47	38	54
Pension plan	47	42	33	71	42	37	56	52
City or metropolitan area in which job is located	42	32	25	57	49	42	69	41
Company reputation in the field	38	32	25	57	35	42	19	44
Good office atmosphere	38	23	21	29	40	34	56	44
Dental care benefits	32	36	33	43	35	29	50	29
Comfortable commute	31	23	17	43	35	34	31	32
Profit-sharing	28	26	25	29	31	29	31	26
Bonuses	25	19	17	29	31	26	38	23

Table 5 (Continued)

Feature	Total	Hot Prospects All	Hot Prospects Consider Relocation? Yes	Hot Prospects Consider Relocation? No	Lukewarm Prospects All	Lukewarm Prospects Consider Relocation? Yes	Lukewarm Prospects Consider Relocation? No	Long-shots
BASE	157	31	24	7	55	38	16	71
Office privacy	24%	19%	17%	29%	27%	21%	44%	23%
Flexible work schedule	23	26	21	43	24	24	25	22
Assistance with continuing education	21	23	25	14	22	24	13	20
Fringe benefits other than income or health	18	23	17	43	24	21	25	12
Stock options	18	19	17	29	20	18	25	16

*Percentage of respondents giving a rating of 8, 9, or 10 on a ten-point scale, where 10 is "absolutely essential" and 1 is "of no importance whatsoever."

Question: Please rate each item in terms of how important it is to you when looking for a job or when considering a new job.

Table 6

Job Features Ranked First, Second, or Third in Importance by Engineers*

Feature	Total	Hot Prospects All	Hot Prospects Consider Relocation? Yes	Hot Prospects Consider Relocation? No	Lukewarm Prospects All	Lukewarm Prospects Consider Relocation? Yes	Lukewarm Prospects Consider Relocation? No	Long-shots
BASE	157	31	24	7	55	38	16	71
Challenging work	53%	55%	63%	29%	54%	57%	44%	51%
Competitive salary	45	55	42	100	41	35	56	44
Company integrity	40	32	38	14	37	43	25	45
Opportunities for advancement	36	55	58	43	35	35	38	28
Job stability	19	16	17	14	17	16	19	22
High caliber co-workers	18	10	8	14	19	16	19	22
City or metropolitan area in which job is located	17	26	21	43	13	8	25	16
Product integrity	13	10	13	0	17	22	6	12
Recognition by superiors	12	7	8	0	15	19	6	13
Medical benefits	10	7	4	14	9	5	19	13
State-of-the-art technology	10	16	17	14	7	11	0	10
Pension plan	8	0	0	0	11	8	19	9
Company reputation in the field	5	0	0	0	4	5	0	7
Good office atmosphere	3	3	4	0	6	3	6	1
Comfortable commute	3	0	0	0	6	3	13	1
Bonuses	3	0	0	0	6	5	6	3
Fringe benefits other than income or health	2	3	4	0	2	3	0	1

Table 6 (Continued)

Feature	Hot Prospects Total	Hot Prospects All	Hot Prospects Consider Relocation? Yes	Hot Prospects Consider Relocation? No	Lukewarm Prospects All	Lukewarm Prospects Consider Relocation? Yes	Lukewarm Prospects Consider Relocation? No	Long-shots
BASE	157	31	24	7	55	38	16	71
Office privacy	1%	0%	0%	0%	2%	3%	0%	1%
Flexible work schedule	1	0	0	0	2	3	0	1
Assistance with continuing education	1	3	0	14	0	0	0	0
Stock options	1	3	4	0	0	0	0	0

*Percentage ranking each feature as either first, second, or third in overall importance.

Question: Select the three items that are most important to you (in a job).

Table 7

Engineers' Ratings of Features Wanted in a Job By Propensity to Relocate

Feature	Total	Consider Relocation	Rule Out Relocation
BASE	157	108	47
Challenging work	89%	94%	79%
Company integrity	85	84	89
Competitive salary	76	77	72
Opportunities for advancement	74	75	70
Product integrity	67	68	66
Medical benefits	60	53	77
Recognition by superiors	59	63	49
Job stability	56	56	57
High caliber co-workers	48	47	51
State-of-the-art technology	47	51	57
Pension plan	47	42	57
City or metropolitan area in which job is located	42	36	55
Company reputation in the field	38	41	32
Good office atmosphere	38	37	40
Dental care benefits	32	28	43
Comfortable commute	31	26	40
Profit-sharing	28	30	21
Bonuses	25	23	28
Office privacy	24	22	30
Flexible work schedule	23	23	23
Assistance with continuing education	21	24	13
Fringe benefits other than income or health	18	16	21
Stock options	18	18	19

*Percentage of respondents giving a rating of 8, 9, or 10 on a ten-point scale, where 10 is "absolutely essential" and 1 is "of no importance whatsoever."

Question: Please rate each item in terms of how important it is to you when looking for a job or when considering a new job.

Table 8

Job Features Ranked First, Second, or Third in Importance by Engineers* by Their Propensity to Relocate

Feature	Total	Consider Relocation	Rule Out Relocation
BASE	157	108	47
Challenging work	53%	60%	34%
Competitive salary	45	36	66
Company integrity	40	43	32
Opportunities for advancement	36	37	34
Job stability	19	16	26
High caliber co-workers	18	19	15
City or metropolitan area in which job is located	17	12	28
Product integrity	13	16	6
Recognition by superiors	12	16	4
Medical benefits	10	6	21
State-of-the-art technology	10	12	6
Pension plan	8	7	11
Company reputation in the field	5	6	2
Good office atmosphere	3	3	2
Comfortable commute	3	1	6
Bonuses	3	3	4
Fringe benefits other than income or health	2	3	0
Office privacy	1	2	0
Flexible work schedule	1	2	0
Assistance with continuing education	1	0	2
Stock options	1	1	0

*Percentage ranking each feature as either first, second, or third in overall importance.

Question: Select the three items that are most important to you (in a job).

C. What Engineers Avoid in a Job

1. Overview

Most engineers would reject a job if they believed that the company provides an inferior product or service (84%) or that layoffs are too likely (73%). Other considerations that would lead many to reject a job include a company that is undercapitalized or has poor R&D funding (52%), management that is not people-oriented (47%), and routine work projects (45%). Interestingly, a less than competitive salary ranks farther down the list (29%), along with relocation (30%), uncomfortable commute (32%), insufficient benefits (32%), and the city or metropolitan area in which the job is located (36%). Cited by less than a fourth of the engineers were absence of state-of-the-art technology (23%), a poor impression of the interviewer (22%), and the size of the company (too large -- 11%, too small - 8%). (See Tables 9 and 10.)

2. Factors to be Avoided by Prospects and Those Who Might Relocate

By and large the three prospect groups hold similar views about the features they would seek to avoid in a job. Hot Prospects are more likely than Longshots, however, to voice concern about a company that is undercapitalized or has poor R&D funding. And, compared to those who might relocate, engineers who reject the idea of relocation are also more likely to reject a job for other reasons as well: the city or metropolitan area in which the job is located (68% versus 22%); an uncomfortable commute (53% versus 22%); and a less than competitive salary level (45% versus 22%).

Specific considerations that would lead some engineers to reject a job reflect a number of general underlying themes. For instance, an overall concern with location is manifested in substantial correlations between ratings on the city or metropolitan area in which the job is located and both an uncomfortable commute (r = .52) and the need for relocation (r = .48). A compensation/fringe theme is evidenced by a substantial correlation between insufficient benefits and a lower than competitive salary level (r = .47). And a "cutting edge" theme is suggested by a substantial correlation between ratings on the absence of state-of-the-art technology and routine work projects (r = .49).

Table 9

Engineers' Ratings of Features to be Avoided in a Job*

		Hot Prospects			Lukewarm Prospects			
			Consider Relocation?			Consider Relocation?		
Feature	Total	All	Yes	No	All	Yes	No	Long-shots
BASE	157	31	24	7	55	38	16	71
Company provides inferior product or service	84%	73%	87%	71%	83%	87%	75%	84%
Layoffs too likely	73	73	70	86	72	68	81	74
Company undercapitalized/ poor R&D funding	52	63	65	57	59	62	50	42
Management not people-oriented	47	50	48	57	42	46	31	49
Routine work projects	45	33	26	57	49	57	31	46
City or metropolitan area in which job is located	36	43	26	100	30	22	50	38
Insufficient benefits	32	43	39	57	30	30	31	29
Uncomfortable commute	32	30	17	71	26	19	44	36
Relocation necessary	30	23	0	100	30	0	100	35
Somewhat lower than competitive salary level	29	37	26	71	21	14	38	32
Not using state-of-the-art techniques/technology	23	20	13	43	21	24	13	26
Interviewer made poor impression	22	30	26	43	25	24	25	17
Company too large	11	7	9	0	2	3	0	20
Company too small	8	7	4	14	9	8	13	7

*Percentage giving a rating of 8, 9, or 10 on a ten-point scale, where 10 signifies "would always reject the job" and 1 signifies "would never reject the job" (for that reason).

Question: Please rate each of the factors listed below in terms of how likely you would be to reject potential employment because of that factor.

Table 10

Engineers' Ratings of Features to be Avoided in a Job By Propensity to Relocate*

Feature	Total	Consider Relocation	Rule Out Relocation
BASE	157	108	47
Company provides inferior product or service	84%	85%	81%
Layoffs too likely	73	69	83
Company undercapitalized/ poor R&D funding	52	57	40
Management not people-oriented	47	49	43
Routine work projects	45	47	40
City or metropolitan area in which job is located	36	22	68
Insufficient benefits	32	31	34
Uncomfortable commute	32	22	53
Relocation necessary	30	0	100
Somewhat lower than competitive salary level	29	22	45
Not using state-of-the-art techniques/technology	23	23	23
Interviewer made poor impression	22	21	26
Company too large	11	9	17
Company too small	8	8	9

*Percentage giving a rating of 8, 9, or 10 on a ten-point scale, where 10 signifies "would always reject the job" and 1 signifies "would never reject the job" (for that reason).

Question: Please rate each of the factors listed below in terms of how likely you would be to reject potential employment because of that factor.

D. Engineers' Concerns about Relocation

1. Overview

All of the engineers, whether or not they indicated a willingness to consider relocation, were asked what might be involved in a decision to relocate:

> Suppose you were considering a job involving relocation. Please rate all the features listed below on how important they would be to you in deciding to accept a job offer involving relocation.

The engineers rated each of 23 factors on a ten-point scale ranging from "not at all important to accepting job requiring relocation" (#1) to "absolutely essential to accepting a job requiring relocation" (#10). If an engineer rated a factor as 8, 9, or 10, that factor was assumed to be important to his or her decision to relocate.

Two factors are considered paramount by engineers: the spouse's attitude toward relocation, cited as important by 78%, and relocation assistance (e.g., paying moving expenses), cited by 75%. Other important factors include a substantial salary increase (61%), same or better quality of housing (58%), good school for children (52%), a good, safe neighborhood to work in (51%), and immediate advancement in position, rank, or title (50%). (See Tables 11 and 12.)

The importance of the role of the spouse in the decision to accept a job requiring relocation was confirmed by a question that specifically addressed this issue:

> How much influence would your spouse have in your decision to accept a job involving relocation: Would you say the feelings of your spouse would be one of the most important factors, would have some influence, or would have almost no influence in the decision?

Three-fourths of the engineers said their spouse's feelings would be one of the most important factors in a job requiring relocation, and 18% said their spouse's influence would have some influence. Only one respondent said the spouse's feelings would have almost no influence. But the various analytical groups do not differ significantly in the importance they place on the spouse's views.

Although the attitude of the spouse was the most important factor mentioned, job availability for the spouse was considered important by only 22%, and help in finding suitable employment for the spouse was mentioned by only 13%.

Correlations among the 23 factors suggest that a few themes predominate when engineers think about relocation. One theme has to do with the economic costs of relocating and revolves around the issue of housing. Substantial inter-correlations exist among a comparably (or lower) priced house or apartment, help in finding a new house or apartment, help in financing the purchase of a new home, the same or lower cost of living in the new location, same or lower mortgage rates in the new location, and difficulty selling the present house or apartment.

A second theme has to do with the ambience of the new location and the leisure-time pursuits it provides. Thus, substantial correlations exist among such variables as proximity of city/cultural life, availability of recreational facilities, ease of getting away to mountains, lakes, etc., and clean air. There is also a "children's theme," as exemplified by correlations between a good school for children, children's attitude toward relocation, and age of the children, and a "spouse employment theme," as exemplified by a high correlation between job availability for the spouse and help in finding suitable employment for the spouse.

2. Considerations Important to Prospects and Those Who Might Relocate

Although expressing generally similar concerns about relocation, members of the three prospect groups tend to view a few issues differently. Hot Prospects -- those seriously bent on a change of jobs -- find the practical problems of relocation to be more salient than do those who see little likelihood of changing jobs. Hot Prospects differ from Longshots in their greater concern about:

- relocation assistance (93% versus 69%),
- difficulty selling the present house or apartment (53% versus 31%),
- help financing the purchase of a new home (43% versus 17%),
- job availability for the spouse (43% versus 13%), and
- availability of alternate employment in the area (33% versus 13%).

At the same time, Hot Prospects are less concerned about climate than are Longshots (17% versus 40%).

As previously noted, 30% of the engineers would always or almost always reject a job requiring relocation, while 70% are at least willing to consider relocating. The former group's reluctance to move is reflected in the greater weight they place on a number of considerations involved in relocation: a substantial salary increase (85% versus 51%), housing of comparable quality (79% versus 49%), immediate advancement (66% versus 42%), difficulty selling their present home (51% versus 29%), climate (55% versus 23%), and the children's feelings about relocation (51% versus 21%).

3. Relocation Destinations

The engineers were given the opportunity to indicate their preferences for states as potential places to live:

> (1) If you were to relocate, please specify which states you would most prefer to go to.
>
> (2) If you were to relocate, please specify which states you would not go to.

As a group, the engineers have stronger feelings about states that they would avoid than about those they would prefer. (See Table 13.) There are 11 states or territories that at least 20% of the engineers would avoid, but only six that at least 20% would prefer; across all states, the median "avoidance rate" is 13% compared with a median "preference rate" of 7%.

The states to be avoided are Alabama (32%), Mississippi (31%), Alaska (29%), North Dakota (29%), New Jersey (27%), the District of Columbia (26%), New York (26%), Louisiana (25%), South Dakota (20%), Kansas (20%), and Nebraska (20%). The preferred states include California (38%), Colorado (34%), Florida (26%), North Carolina (24%), Texas (20%), and Massachusetts (20%).

A number of states elicit fairly strong positive and negative reactions from the engineers. These include California (preferred by 38% and avoided by 14%), Florida (preferred by 26% and avoided by 19%), Georgia (both preferred and avoided by 18%), Massachusetts (preferred by 20% and avoided by 16%), and New York (preferred by 13% and avoided by 26%).

Concerns about the cost of living and housing may play a role in the engineers' ambivalent or negative reactions to some states. The January 5, 1988 Wall Street Journal reports that employees are increasingly resisting transfers to high-cost cities. New York, Los Angeles, Boston, San Francisco, and Washington head the list of metropolitan areas they avoid.

Table 11

Engineers' Ratings of Factors Important for Relocation Decisions*

		Hot Prospects			Lukewarm Prospects			
			Consider Relocation?			Consider Relocation?		
Factor	Total	All	Yes	No	All	Yes	No	Long-shots
BASE	157	31	24	7	55	38	16	71
Spouse's attitude toward relocation	78%	80%	78%	86%	76%	68%	94%	80%
Relocation assistance, e.g. paying moving expenses	75	93	91	100	72	73	69	69
Substantial salary increase	61	70	65	86	59	46	88	60
Same or better quality of housing	58	53	48	71	57	49	75	61
Good school for children	52	50	48	57	43	43	44	59
Good, safe neighborhood to work in	51	47	48	43	55	46	75	50
Immediate advancement in position/rank/title	50	50	39	86	45	35	69	53
Clean air	43	47	44	57	43	41	50	41
Difficulty of selling the present house/apartment	35	53	57	43	30	19	56	31
Climate	33	17	13	29	34	24	56	40
Ease of getting away to mountains, lakes, etc.	32	30	30	29	38	43	25	29
Availability of recreational facilities	31	43	44	43	30	30	31	26
Children's attitude toward relocation	30	20	9	57	34	24	56	31
Proximity of city/cultural life	28	33	30	43	26	24	31	27
Help in financing the purchase of a new home	25	43	30	86	25	19	38	17

Table 11 (Continued)

		Hot Prospects			Lukewarm Prospects			
			Consider Relocation?			Consider Relocation?		
Factor	Total	All	Yes	No	All	Yes	No	Long-shots
BASE	157	31	24	7	55	38	16	71
Comparable or lower cost of a new house/apartment	24%	33%	30%	43%	21%	16%	31%	23%
Job availability for spouse	22	43	39	57	23	27	13	13
Same or lower mortgage rates in new location	22	30	26	43	17	14	25	23
Same or lower cost of living in new location	22	33	30	43	19	14	31	20
Availability of courses at educational institutions	20	30	35	14	17	19	13	19
Help in finding a new house or apartment	20	27	26	29	15	11	25	20
Many potential employers/ availability of alternate employment in the area	18	33	17	86	17	11	31	13
Age of the children	18	10	13	0	19	14	31	20
Help in finding suitable employment for spouse	13	17	9	43	17	19	13	30
Proximity of stores/ shopping centers	11	10	4	29	9	11	6	11

*Percentage giving a rating of 8, 9, or 10 on a ten-point scale, where 10 signifies "absolutely essential to accepting a job requiring relocation" and 1 signifies "not at all important to a job requiring relocation."

Question: Please rate all the features listed below on how important they would be to you in deciding to accept a job offer involving relocation.

Table 12

Engineers' Ratings of Factors Important for Relocation Decisions*
By Propensity to Relocate

Factor	Total	Consider Relocation	Rule Out Relocation
BASE	157	108	47
Spouse's attitude toward relocation	78%	73%	89%
Relocation assistance, e.g., paying moving expenses	75	71	75
Substantial salary increase	61	51	85
Same or better quality of housing	58	49	79
Good school for children	52	49	60
Good, safe neighborhood to work in	51	49	57
Immediate advancement in position/rank/title	50	42	66
Clean air	43	40	51
Difficulty of selling the present house/apartment	35	29	51
Climate	33	23	55
Ease of getting away to mountains, lakes, etc.	32	31	34
Availability of recreational facilities	31	28	38
Children's attitude toward relocation	30	21	51
Proximity of city/cultural life	28	29	28
Help in financing the purchase of a new home	25	19	38
Comparable or lower cost of a new house or apartment	24	19	36
Job availability for spouse	22	22	23

Table 12 (Continued)

Factor	Total	Consider Relocation	Rule Out Relocation
BASE	157	108	47
Same or lower mortgage rates in new location	22%	16%	36%
Same or lower cost of living in new location	22	17	34
Availability of courses at educational institutions	20	23	15
Help in finding a new house or apartment	20	16	28
Many potential employers/availability of alternate employment in the area	18	11	36
Age of the children	18	16	21
Help in finding suitable employment for spouse	13	13	13
Proximity of stores/shopping centers	11	8	17

*Percentage giving a rating of 8, 9, or 10 on a ten-point scale, where 10 signifies "absolutely essential to accepting a job requiring relocation" and 1 signifies "not at all important to a job requiring relocation."

Question: Please rate all the features listed below on how important they would be to you in deciding to accept a job offer involving relocation.

Table 13

Engineers' Ratings of States for Relocation*

State	Avoid	Prefer	State	Avoid	Prefer
Alabama	32%	3%	Maine	13%	6%
Mississippi	31	2	Ohio	13	6
Alaska	29	3	Wisconsin	13	8
North Dakota	29	1	Minnesota	13	8
New Jersey	27	9	Pennsylvania	13	12
District of Columbia	26	3	Hawaii	13	14
New York	26	13	Connecticut	13	17
Louisiana	25	5	Texas	13	20
South Dakota	20	1	Indiana	12	2
Kansas	20	2	Nevada	12	4
Nebraska	20	3	Missouri	12	4
Arkansas	19	3	Delaware	11	5
Florida	19	26	Kentucky	11	5
Georgia	18	18	Tennessee	10	11
Iowa	17	1	New Mexico	10	12
Michigan	17	6	Utah	9	6
Oklahoma	16	3	New Hampshire	9	16
Montana	16	6	South Carolina	9	17
Massachusetts	16	20	Maryland	8	12
Illinois	15	8	Vermont	8	13
Wyoming	14	3	Arizona	8	17
Idaho	14	6	Washington	8	19
Virgin Islands	14	6	Oregon	7	18
California	14	38	Virginia	6	17
West Virginia	13	1	North Carolina	6	24
Rhode Island	13	5	Colorado	5	34

Percentage naming each state.

Question: If you were to relocate, please specify which states you (a) would most prefer to go to, (b) would not go to.

E. HOW ENGINEERS LOOK FOR A JOB

1. Newspapers and Other Sources of Employment Information

In exploring potential employment opportunities, engineers make use of a number of sources of information. Information about their preferences for and use of alternative sources came from two questions:

> (1) Think of your own experience with the sources of employment information and of anything you might have heard from others. Please rate each item listed below in terms of how useful it is or would be as a source of employment information. (Four-point scale anchored by "very useful" and "not at all useful.")
>
> (2) What one source of employment information do you/would you use most often when looking for a job, when thinking of changing jobs, or when just monitoring job opportunities?

Engineers generally rated more than one source of information as very useful. Among Hot Prospects, the very useful rating was most often applied to word of mouth and personal contacts (83%), which received more than double the endorsement given the next two most popular sources, newspaper employment ads (33%) and employment/executive search/placement agencies (33%). Ads in trade publications or journals were deemed useful by 27%, and employee referral programs by 17%. (See Table 14.)

Overall, the same rank order of sources emerged when the Hot Prospects were asked to name the one source of information they do or would use most often. Word of mouth/personal contacts came first (32%), followed by newspaper ads (23%), agencies (23%), and journal ads (19%). While less committed to a change in employment, Lukewarm Prospects and Longshots tended to iew the information sources similarly. (See Table 15.)

Table 14

Percentage of Engineers Rating Each Source as "Very Useful"

Source	Total	Hot Prospects All	Hot Prospects Consider Relocation? Yes	Hot Prospects Consider Relocation? No	Lukewarm Prospects All	Lukewarm Prospects Consider Relocation? Yes	Lukewarm Prospects Consider Relocation? No	Long-shots
BASE	157	31	24	7	55	38	16	71
Word of mouth/personal contacts	71%	83%	83%	86%	67%	63%	75%	68%
Employment/search/ placement agencies	35	33	30	43	31	34	25	39
Newspaper employment ads	26	33	26	57	22	19	31	26
Ads in trade publications or journals	25	27	22	43	27	31	19	23
Employee referral program	14	17	17	14	6	6	6	18
Professional directories	10	3	4	0	14	16	13	10
Open houses	6	13	17	0	2	0	6	7
Job fairs	4	7	9	0	2	3	0	3
Computerized employment data banks	2	7	9	0	0	0	0	2
Employment advertising through the mail	2	7	9	0	0	0	0	2
State employment services	1	0	0	0	0	0	0	2

Question: Please rate each item listed below in terms of how useful it is or would be as a source of employment information. (Four-point scale from very useful to not at all useful.)

Table 15

Job Information Source Used Most Often by Engineers

		Hot Prospects			Lukewarm Prospects			
			Consider Relocation?			Consider Relocation?		
Source	Total	All	Yes	No	All	Yes	No	Long-shots
BASE	157	31	24	7	55	38	16	71
Word of mouth/personal contacts	36%	32%	33%	29%	33%	29%	38%	41%
Employment/search/ placement agencies	24	23	21	29	22	18	31	27
Ads in trade publications or journals	21	19	21	14	31	40	13	14
Newspaper employment ads	16	23	21	29	13	11	19	16
Professional directories	1	0	0	0	0	0	0	1
Computerized employment data banks	1	3	4	0	0	0	0	0
Referral programs	1	0	0	0	0	0	0	1
Other	1	0	0	0	2	3	0	0

Question: What one source of employment information do you/would you use most often when looking for a job, when thinking of changing jobs, or when just monitoring job opportunities?

2. Use of the Newspaper as a Source of Employment Information

Like most educated Americans, engineers read the newspaper with great regularity. At least two-thirds read the paper on weekdays (including Saturday), and nearly nine out of ten (89%) read a Sunday paper. (See Table 16.)

Interestingly, Hot Prospects are least likely -- and Longshots most likely -- to read the newspaper on weekdays. Thus, the difference between weekday and Sunday readership levels is much greater for Hot Prospects than for the other two groups, almost doubling from a Monday-Saturday average of 48%, to 94% on Sunday. (By contrast, Lukewarm Prospects increase their readership from 70% on weekdays to 89% on Sundays, and Longshots, from 79% to 87%.) The use of Sunday employment ads by Hot Prospects may explain the magnitude of the difference between their weekday and Sunday readership levels.

Engineers in the three groups differ little with respect to the sections of the newspaper they usually read or look at. (See Table 17.) Although readership of general news (87%) and business (83%) is uniformly high, the local news section, which is read by 79% overall, is less likely to be read by Hot Prospects than by Longshots. The majority of Hot Prospects read the careers section, and they do so at a rate two to three times that of the other two groups. In addition, half to two-thirds of the engineers in all three groups read the sports and editorial sections. Interestingly, only about one engineer in four reads a science section, but this rate may reflect the uneven availability of science sections more than the engineers' interest.

Table 16

Days of the Week Engineers Usually Read or Look at the Newspaper*

		Hot Prospects			Lukewarm Prospects			
			Consider Relocation?			Consider Relocation?		
Day of the Week	Total	All	Yes	No	All	Yes	No	Long-shots
BASE	157	31	24	7	55	38	16	71
Monday	68%	48%	58%	14%	70%	73%	63%	76%
Tuesday	70	48	54	29	74	78	63	76
Wednesday	70	52	63	14	70	73	63	79
Thursday	70	48	54	29	70	73	63	79
Friday	72	48	54	29	70	76	56	84
Saturday	67	45	46	43	65	70	50	77
Sunday	89	94	92	100	89	87	94	87

*Percentage reading or looking at the paper on each day. (Processing of information in the newspaper typically includes both scanning and reading.)

Question: On what days of the week do you usually read or look at a daily or weekend newspaper? (Circle all that apply).

Table 17

Sections of the Newspaper Engineers Usually Read or Look At*

Section	Total	Hot Prospects			Lukewarm Prospects			Long-shots
			Consider Relocation?			Consider Relocation?		
		All	Yes	No	All	Yes	No	
BASE	157	31	24	7	55	38	16	71
General news	87%	87%	96%	57%	86%	90%	81%	89%
Business	83	81	75	100	78	79	81	89
Local news	79	65	67	57	75	79	69	89
Sports	58	52	46	71	53	55	44	66
Editorial	57	65	67	57	53	55	50	57
Entertainment	43	45	46	43	40	45	31	44
Weekend magazine	42	32	25	57	44	50	31	46
Careers	31	61	63	57	26	29	19	21
Travel	35	29	25	43	29	32	19	43
Science	26	26	25	29	26	29	19	27
Lifestyle	21	16	17	14	20	24	13	24
Home	17	13	8	29	13	16	6	23
Food	11	10	8	14	13	16	6	10
Fashion	6	7	4	14	7	8	6	6

Question: What sections of the newspaper do you usually read or look at? (Circle all that apply.)

Although engineers rate word of mouth or personal contacts as the best general source of employment information, the behavior of Hot Prospects indicates a crucial role for newspaper classified advertising. More than 8 out of 10 (81%) read newspaper employment ads at least once every couple of weeks; 55% read classified employment ads once a week or more. Even Lukewarm Prospects and Longshots read employment ads, however, with 52% and 43%, respectively, looking at ads once a month or more. As has been noted in previous studies, newspaper employment ads provide a means of keeping up-to-date on the employment market, whether or not one is actively looking for a job. (See Table 18.)

The Sunday paper is the most popular source of classified employment ads: when reviewing employment classified ads, 87% of the engineers look in the Sunday paper; weekdays are also mentioned by about 10% of Hot Prospects and Lukewarm Prospects and by about 5% of Longshots. (See Table 19.)

Engineers primarily look in the classified and business sections of the newspaper for employment ads; the careers section and science section lag far behind those two. When asked in what sections of the paper they usually look for employment ads, 87% of the engineers indicated the classified section and 70% noted the business section. Careers and science were named by 37% and 9%, respectively. (See Table 20.) When the question was amended to include sections where the engineers occasionally looked for employment ads, every section was found to enjoy somewhat greater exposure. Hot Prospects place less emphasis on the classified section than do the other groups, however. (See Table 21.)

Table 18

Engineers' Frequency of Reading Employment Classified Ads in the Newspaper*

		Hot Prospects			Lukewarm Prospects			
			Consider Relocation?			Consider Relocation?		
Frequency	Total	All	Yes	No	All	Yes	No	Long-shots
BASE	157	31	24	7	55	38	16	71
Several times a week	6%	26%	33%	0%	2%	0%	6%	1%
Once a week	15	29	25	43	13	16	6	11
Once every couple of weeks	21	26	17	57	22	18	25	17
Once a month	12	3	4	0	15	16	13	14
Once every couple of months or less	46	16	21	0	49	50	50	56

*Percentage who report reading at each frequency.

Question: How often do you read or look at the employment ads in the help wanted section of the newspaper?

Table 19

Days of the Week Engineers Usually Read or Look at Employment Ads in the Newspaper

		Hot Prospects			Lukewarm Prospects			
			Consider Relocation?			Consider Relocation?		
Day of the Week	Total	All	Yes	No	All	Yes	No	Long-shots
BASE	157	31	24	7	55	38	16	71
Monday	9%	16%	21%	0%	10%	11%	7%	3%
Tuesday	9	13	17	0	12	17	0	5
Wednesday	8	10	13	0	10	14	0	5
Thursday	7	7	8	0	10	11	7	5
Friday	9	16	21	0	8	11	0	5
Saturday	10	13	13	14	12	17	0	7
Sunday	87	94	96	86	82	77	93	86

*Percentage reading the classified ads on each day.

Question: On what days of the week do you usually read or look at employment ads in a newspaper? (Circle all that apply).

Table 20

Sections of the Newspaper Engineers Usually Look at for Employment Ads*

		Hot Prospects			Lukewarm Prospects			
			Consider Relocation?			Consider Relocation?		
Section	Total	All	Yes	No	All	Yes	No	Long-shots
BASE	157	31	24	7	55	38	16	71
Classified	87%	68%	71%	57%	91%	92%	94%	92%
Business	70	74	71	86	70	68	75	68
Careers	37	48	50	43	33	41	19	34
Science	9	16	21	0	2	3	0	11
Sports	4	3	4	0	7	5	13	2
General news	3	3	4	0	2	3	0	3
Local news	3	3	4	0	2	3	0	3
Home	1	3	4	0	0	0	0	2
Entertainment	1	0	0	0	0	0	0	2

*Percentage noting each section.

Question: Employment advertising is usually in the classified section or in the business section. However, sometimes employment ads are in other parts of the paper. Please circle the sections or types of pages you usually look at if and when you are looking for employment ads. (Circle all that apply.)

Table 21

Sections of the Newspaper Engineers Usually or Occasionally Look at for Employment Ads*

		Hot Prospects			Lukewarm Prospects			
			Consider Relocation?			Consider Relocation?		
Section	Total	All	Yes	No	All	Yes	No	Long-shots
BASE	157	31	24	7	55	38	16	71
Classified	90%	71%	75%	57%	94%	95%	100%	95%
Business	83	84	79	100	87	84	94	80
Careers	51	55	58	43	56	54	56	46
Science	23	36	42	14	19	16	25	22
Local news	17	19	21	14	20	16	31	12
General news	13	16	13	29	9	5	19	14
Sports	9	3	4	0	17	11	31	5
Home	2	3	4	0	0	0	0	3
Entertainment	2	0	0	0	0	0	0	5

*Percentage noting each section -- usually or occasionally.

Questions: Please circle the sections or types of pages you usually look at if and when you are looking for employment ads . . . . Now, circle any other sections or types of pages you might occasionally look at for employment ads. (Circle all that apply.)

3. Engineers' Response to Characteristics of Employment Ads

What happens when the engineer opens a section of the newspaper to employment ads? We asked about the various ad characteristics that might attract his or her attention to the ad:

> How important are the features listed below in attracting your attention to a newspaper employment ad? (13 characteristics rated on a four-point scale anchored by "very important" and "not at all important")

No feature was rated very important by more than two-thirds of the engineers. (See Table 22.) However, the features most often deemed very important were those that conveyed solid substantive information about the position (as opposed to stylistic features and "rhetoric"). Among the most critical are the job description (62%), job title (59%), required qualifications and experience (54%), and job location (44%). About one-third (34%) said that the company name and/or logo was very important, a sentiment consistent with the findings discussed below on the unpopularity of blind ads. About one-quarter said that salary is very important (26%) or that the size of the ad is very important (25%) in attracting their attention.

There were few features that were called "not at all important" by more than a handful of engineers. However, at least one-fourth of the engineers described the following as not at all important in attracting their attention to an ad: the ad's position on the page (40%); descriptions such as "stimulating," "dynamic" "future-oriented," "career opportunity" (26%); and graphics, photos, or drawings (25%).

After noticing and reading an employment ad, engineers may or may not respond. Blind ads (i.e., those that do not identify the advertiser or employer) are uniformly unlikely to produce a response. Almost 8 in 10 of the engineers say that they are "not very" or "not at all likely" to respond to a blind ad, all other things being equal; only 2 in 10 say they are "very" or "somewhat likely" to respond (mostly the latter). Focusing on two of the concerns that might discourage the engineer from responding to a blind ad, we asked those in the "not likely" groups about blind ads that (1) guarantee a response, and (2) guarantee not to forward the applicants' resumes to companies they rule out. While modifying the blind ad in either of these two ways will improve the response rate according to the engineers, opposition to the blind ad remains very powerful. On the positive side, the projected rate of response to a blind ad roughly doubles when either of the two modifications is instituted (from 21% to 40% for the guaranteed response condition and to 43% for the controlled distribution condition). On the negative side, about three-fourths who initially say they are unlikely to respond to a blind ad continue to say that the modification is unlikely to change their response, leaving about 60% of the engineers overall who are not likely to respond to a blind ad, no matter what. This negative sentiment applies regardless of prospect group or willingness to consider relocation. (See Table 23.)

Employment ads may call for a variety of steps for contacting the employer and initiating the application process. We asked about nine possible instructions, five of which described the action to be taken and four of which indicated the person or entity to be contacted. Of possible steps to be taken, making a telephone call and sending in a resume were roughly tied, with 58% and 55% indicating that they would be very likely to respond to such an instruction. Far less popular steps were attending an open house (13%), mailing in an application coupon (8%), and calling a job hotline (8%). As for the person or entity to be contacted, engineers prefer people with direct responsibility: 60% said that they would be very likely to respond to an instruction to contact the department head, compared with 46% for the person in charge of hiring, 38% for a specific person in the personnel department, and only 21% for the personnel department in general. Prospect status and willingness to relocate did not affect these preferences. (See Table 24.)

Table 22

Importance of Ad Features in Attracting Engineers' Attention to Newspaper Employment Ads

Feature	Importance of Feature Very Important	 Somewhat/ Not very Important	 Not at all Important
BASE: 157			
Job description	62%	35%	3%
The job title	59	38	3
Required qualifications and experience	54	43	3
Job location	44	52	3
The company name and/or logo	34	61	5
Salary	26	66	8
The size of the ad	25	66	9
Headline of ad	18	78	5
Statement of company philosophy ("where the company is going," technological vision of the future)	18	73	9
Equipment/hardware/software technology	13	73	14
Descriptions such as "stimulating," "dynamic," "future-oriented," "career opportunity"	9	65	26
Graphics/photos/drawings	4	72	25
The ad's position on the page	4	56	40

Question: How important are the features listed below in attracting your attention to a newspaper employment ad? (Very, somewhat, not very, and not at all important)

Table 23

Engineers' Likelihood of Responding to a Blind Ad Under Various Conditions

Likelihood of Responding (BASE: 157)

Very Likely	Somewhat Likely	Not very Likely	Not at all Likely
3%	18%	50%	29%

Likelihood of Responding to a Blind Ad that Guarantees a Response

Very Likely	Somewhat Likely	Not Very Likely	Not At All Likely
2%	22%	46%	30%

Likelihood of Responding to a Blind Ad that Guarantees Resume Will Not Be Sent to Specific Companies

Very Likely	Somewhat Likely	Not Very Likely	Not At All Likely
6%	23%	40%	31%

Questions: All other things being equal, how likely would you be to respond to a "blind" ad; that is, an employment ad that does not indicate who the advertiser or employer is?

FOR THOSE ANSWERING "NOT VERY LIKELY" OR "NOT AT ALL LIKELY": All other things being equal, how likely would you be to respond to a "blind" ad that (a) guarantees a response? (b) guarantees that your resume will not be sent to those companies that you specifically rule out?

Table 24

Engineers' Likelihood of Responding to Instructions in Employment Ads

Instruction	Likelihood of Response		
	Very Likely	Somewhat/ Not Too Likely	Not at all Likely
BASE: 157			
Contact department head	60%	39%	1%
Make a telephone call	58	40	2
Send in a resume	55	43	3
Contact person in charge of hiring	46	53	2
Contact specific person in personnel department	38	57	5
Contact personnel department	21	72	7
Attend an open house	13	73	14
Mail in an application coupon	8	71	21
Call a job hotline	8	61	31

Question: As you know, employment ads contain different instructions as to how to contact the employer. If you were looking for employment, with all other things being equal, how likely would you be to respond to an ad asking you to do the following . . . ?

II. CONCLUSIONS

Most engineers seem relatively satisfied with their current employment, and many are prepared to stay put for at least the immediate future. There is a small group that is likely to change jobs soon, as well as an "iffy" group that might or might not change jobs, depending on whether the "right opportunity" comes along. A minority of engineers would rule out the possibility of relocating for a new job.

Engineers who are Hot Prospects tend to be at an earlier stage of their careers and are more likely to be seeking career advancement through a new job than those who would stay put. Like other differences noted in this report, however, this is only an average difference between the prospect groups, which in fact overlap considerably in their composition and include individuals at all stages of their careers. Engineers interested in changing jobs, as well as those willing to consider relocation, tend to be most concerned about "intrinsic" features of a new job -- particularly the opportunity to do challenging work -- and somewhat less concerned about such "extrinsic" factors as fringe benefits. This does not mean, however, that engineers consider fringe benefits to be unimportant but only that benefits are not the driving force behind a job decision; probably a minimal level of benefits is assumed. A competitive salary, while not at the top of the list of concerns, is important, although a somewhat lower than competitive salary does not necessarily rule out consideration of an employment opportunity for most.

How does a prospective employer attract these professionals? One issue involves relocation: employers who wish to widen their search to attract engineers outside of their immediate area should consider what the engineers have told us about relocation. Even though only a minority absolutely rule out relocation, most engineers voice a number of concerns about relocating. This study confirmed the findings of the earlier qualitative work that there is great concern about balancing the overall economic equation in making a move. The cost of living in the new location, and the cost of housing in particular, are of great concern, coupled with concerns about high interest rates and selling the present home. At minimum, a large majority would expect some help with moving expenses if they were to accept a job in another part of country.

Prospective employers need to be aware of these concerns and take steps to address them. Some employers may have to "sweeten the deal" to attract engineers to high-cost locations; others may simply need to educate prospects about the moderate cost of living their areas offer, and still others may be able to use their low cost of living as an incentive in recruiting engineers from higher-cost areas.

As might be expected, engineers are uniformly concerned about the opinion of their spouses in considering a job involving relocation. Since this appears to be different from a concern about the spouse's employment (which was not frequently voiced), what prospective employers can do about it is not readily apparent. Like the engineer's own opinion, the opinion of the spouse undoubtedly encompasses multiple concerns about relocating, some fairly common to the group and others unique to each household. One could hazard a guess, however, that addressing concerns about the cost of living and housing would help in obtaining a spouse's support for relocation, since most no doubt want to maintain or improve their current standard of living. Prospective employers should also make sure that applicants from out of town are aware of any of the advantages of their area that at least some of the engineers have indicated are important. For instance, an employer in a community well known for the quality of its schools should cite this fact at some point in the recruitment process.

Putting aside the relocation issue, ads targeted at engineers should be high in substantive information about the job and employer. Engineers interested in changing jobs are looking for challenge in their work, and the ad must speak to them in a way that leads them to believe that the advertised position offers this opportunity. They want to see the job title, a description of the job, and the name and location of the employer. Most will not respond to blind ads of any kind. Many want to know what qualifications are required for the position and the salary; whether or not these are made explicit, the ad should contain enough information for readers to decide whether the level and scope of the job are consistent with their backgrounds and expectations. In addition, engineers feel that their response to an ad warrants attention by someone with technical knowledge of the position and some role in determining who will be hired, e.g., the head of the department where the job is located or the person(s) who are to make the selection. Advertisers should therefore take care not only to identify the employer and describe the job, but whenever possible should also direct responses to the engineering professional responsible for filling the position.

Engineers typically prefer word of mouth and personal contacts to almost all other sources of employment information. However, activating their professional networks, reviewing classified ads in newspapers, looking at ads in journals, and contacting a placement service are not mutually exclusive activities, and engineers do in fact use the newspaper as an important source of employment information (whether or not they are looking for a job). Readership of the newspaper, particularly the Sunday paper, is high among engineers, and most of those interested in changing jobs review the ads at least every couple of weeks. Even many of those with no interest in changing jobs read the ads at least once a month.

To increase the likelihood that an ad will reach its intended audience, employers should consider running employment ads on at least two consecutive Sundays. Not all of those interested in changing jobs read the employment ads every week, and so a strong prospect may miss an ad if it appears only once. Finally, as newspaper employment ads become more responsive to the needs of engineers, presenting the substantive information they require and calling for a response they consider appropriate, the newspaper will become even more important as a source of employment information for the engineering profession.

7/18/88

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KEY FACTS 1988

Newspapers, Consumers, Advertising

Newspaper Advertising Bureau, Inc.
1180 Avenue of the Americas
New York, New York 10036
212 921-5080

KEY FACTS 1988:

NEWSPAPERS, CONSUMERS, ADVERTISING

This is one of a series of marketing research reports prepared by the Newspaper Advertising Bureau, Inc., as a service to the newspaper business and its advertisers.

May 1988

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How To Use Key Facts

The main purpose of this report compiled from many sources is to answer some of the most frequently asked questions about newspapers, consumers, and advertising.

The report is designed as a reference source, not as an account to be read through page by page. To maximize its reference value, the table of contents organizes specific items of information under general headings such as "Advertising Costs" and "Newspaper Circulation".

For example, information on daily newspaper reach and frequency comes under the general heading of "Newspaper Readership", where it is listed as "Reach, Frequency and Gross Rating Points: Typical Five-Day Patterns for Daily Newspapers at Varying Levels of Penetration".

The scope of the material is necessarily limited. For answers to other questions about newspapers and advertising, consult the heading "NAB Telephone Directory".

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New York Office	(212) 921-5080
Chicago Office	(312) 644-1290
Dallas office	(214) 239-4380
Detroit Office	(313) 642-9200
Georgia Office	(404) 949-4833
Los Angeles Office	(213) 480-0452
San Francisco Office	(415) 981-8118

Ad readership	Stu Tolley	704-4562
Advertising expenditures	Yannis Takos	704-4561
Advertising rates	Yannis Takos	704-4561
Automotive classified	Hugh Quinn	(313) 642-9200
Automotive sales	Bill Tausch	(313) 642-9200
CAN DO (local audience data)	Susan Lorenzana	704-4555
Classified, Outside Sales	Bob Scaife	(313) 642-9200
Color (ROP)	Charles Kinsolving	704-4544
Competitive media	Tom Fitzpatrick	704-4551
Co-op sales (NCN)	Frank Hennessey	(312) 644-1290
Coupon information	Carolyn Eldred	704-4615
Demographic trends	Hank Khost	704-4552
Desktop publishing	Jim Conaghan	704-4558
Food retailers & manfacturers	Bob Gaines	704-4540
Information center	Ann Brady, Susan Hyer	704-4549
Inserts, preprints	Jack Aldinger, Ted Knecht	704-4520/1
Intermedia cost estimates	Uldis Grava	704-4550
Marketing services	Uldis Grava	704-4550
Mass merchandising	Jim Hollis	704-4533

(Unless otherwise stated, area code is 212.)

(continued)

Telephone Directory - Newspaper Advertising Bureau

Member orders: Promotion	Susan Harelick	704-4614
Member orders: Research	Audrey Townsend	704-4565
Membership services	Bill Solch	704-4530
National sales	Jim Wilson	704-4503
Newspaper circulation	Yannis Takos	704-4561
Newspaper features/sections	Dorothy Shea	704-4557
Newspaper readership	Chuck Lehman	704-4564
NEWSPLAN	Jim Wilson	704-4503
New technology	Peter Winter	704-4613
Non-subscriber products	Cathie Ullett	704-4610
One Order/One Bill	Jack Aldinger, Ted Knecht	704-4520/1
Public and media relations	Jim Dunaway	704-4547
Real Estate classified	Tony Marsella	704-4516
Recruitment advertising	Ira Gordon	704-4515
Retail Yellow Pages Workshop	Bob Scaife	(313) 642-9200
Retailing	Alfred Eisenpreis	704-4535
SAU™ (Standard Adv. Units)	Charles Kinsolving	704-4544
Syndicated readership data	Chuck Lehman	704-4564
Telemarketing	Kitty Vance	704-4513
Total market coverage	Jack Aldinger	704-4521
Workshop/seminar information	Steve Van Osten	704-4527

(Unless otherwise stated, area code is 212.)

The Future of (Newspaper) Advertising

The Board of Directors of Newspaper Advertising Bureau initiated the Future of Advertising Project in order to better serve advertisers and their agencies. Under the direction of Harold W. Andersen, Chairman of the Steering Committee, ten task forces have examined problems and opportunities, commissioned research, prepared publications and offered suggestions.

Among the important recommendations growing out of the FOA Project are these:

- adoption of a Standard Advertising Invoice
- adoption of standard breakpoints for volume discounts for national advertisers
- greater flexibility in positioning; consideration of an island position on first or second pages of stock exchange listings
- shorter lead times for camera-ready color ads
- the elimination of minimum size requirements for color ads
- use of the Standard Advertiser Codes
- use of Guidelines for Standardized Retail Research in local consumer surveys
- adoption of a standard format for presenting market data in promotion brochures
- standard procedures for remote entry of classified advertising

NAB Services: New Technology

The oldest advertising medium in the United States is one of the most advanced in technological applications. Newspapers have launched a variety of electronic information services. Computerization and satellites have transformed every aspect of newspaper production. And electronic pressroom equipment is revolutionizing run-of-paper (ROP) color reproduction.

The New Technology department works closely with advertisers, agencies and newspapers to develop programs to make newspapers a more attractive, more economical, and easier-to-buy medium. The department is now focusing on improving ROP color reproduction and the standardization of newspaper special sections (e.g., TV logs).

The department also works closely with the Technical Committee of ANPA, the 4As and other organizations to track key developments in the new technologies, and their implications for the newspaper business.

Particular areas of interest of the department include:

Standardization
ROP Color
Satellite Transmission (AD/SAT)
Electronic Information Services
Remote Entry
Public Access Videotex
Personal Computer Market
Cable TV
Electronic Newspaper Libraries

For more information on New Technology department activities, call Thelma Anderson at (212) 704-4543.

NEWSPLAN: Discounts for Continuity

ONE PROGRAM:

NEWSPLAN's purpose is to make national and regional advertising more effective by giving it the believability, immediacy and selling impact of ROP newspaper advertising at lower cost and greater convenience.

THREE BENEFITS:

Discounts - lower cost for the advertiser

By planning ahead, you can earn discounts from 10% to 30% or more with NEWSPLAN. Plan your advertising on an annual basis to make sure your cumulative space--in column inches or modular units--equals 6 pages, 13 pages or 52 pages. Discounts at these page levels are in effect in over 1,000 newspapers representing 82% of total U.S. circulation.

SAUs™ - simplified specs for the creative department

Thanks to Standard Advertising Units accepted by nearly 1,600 daily newspapers (98% of total circulation) one finished mechnical now covers all the newspapers in your schedule in most cases. (See pages 10, 11 and 12 for more details.)

CAN DO - better audience data for marketers and planners

CAN DO gives you net reach and frequency data for any daily or Sunday newspaper schedule and any geographic area, down to the county level. Audience figures can be run by sex, age, household income or household size. CAN DO computer runs are available through your own terminal if you are an IMS subscriber, or through NAB at cost.

For more information on NEWSPLAN, call Jim Wilson at (212) 704-4503.

Research Information on Consumers and Readers

Newspaper Advertising Bureau supports an active research program. The Research Department uses a variety of custom surveys, syndicated research and secondary sources to meet the needs of advertisers, advertising agencies and member newspapers. As of January 1988, the Research Department's list of in-print publications numbers 119 reports, brochures and research notes.

The subject areas covered include:

newspaper readership and audience data,
ad readership,
classified advertising,
competitive media,
retail shopping,
sales effects of advertising.

Reports can be obtained through member newspapers. A current list of in-print research publications is available on request. For more information, call Audrey Townsend at (212) 704-4565.

ANNUAL REPORTS PREPARED BY ECONOMIC AND MEDIA ANALYSIS UNIT, NEWSPAPER ADVERTISING BUREAU

1. U.S. Daily and Sunday newspapers - 1945 to present - Number and Circulation
2. How much do people spend to read daily and Sunday Newspapers? 1945 to present

3. Total advertising volume in the U.S., 1935-1985 (McCann-Erickson)
4. Newspaper advertising expenditures, 1945-1985. National, Retail and Classified

5. National advertising expenditures in measured media by classification
6. Annual retail newspaper advertising expenditures by category

7. Classified newspaper advertising expenditures by type, 1975 to present.
8. Daily newspapers in 317 MSAs: Households, coverage, circulation, column inch rate, cost of SAU quarter page, SAU half page and full page

9. Sunday newspapers in 317 MSAs: Households, coverage, etc.
10. Daily newspapers in 212 ADIs: Households, coverage, etc.

11. Sunday newspapers in 212 ADIs: Households, coverage, etc.
12. Daily newspapers in 317 MSAs: ROP color edition

13. Daily newspapers in 212 ADIs: ROP color edition
14. Cumulative circulation and rates of daily newspapers in 317 MSAs necessary to obtain 60% household coverage in each market

15. Cumulative circulation and rates of Sunday newspapers in 317 MSAs necessary to obtain 60% household coverage in each market
16. Cumulative circulation and rates of daily newspapers in 212 ADIs necessary to obtain 60% household coverage in each market

17. Cumulative circulation and rates of Sunday newspapers in 212 ADIs necessary to obtain 60% household coverage in each market
18. Daily and Sunday newspapers with zone editions

19. Cities in the U.S. with two or more newspapers
20. Newspapers in the U.S. not accepting beer, wine or liquor advertising

21. Media breakdown of U.S. agencies billing $30 million or more
22. Newspapers not offering a 2% cash discount

Inquiries: Research Department, (212) 704-4611, -4612

CAN DO: Audience Data for Daily and Sunday Newspapers

The Newspaper Advertising Bureau's CAN DO program can:

produce detailed audience data for any list of daily and Sunday newspapers

provide data customized to any geographic or selected demographic definition

calculate reach, frequency, and frequency distribution estimates

allow media mix analyses through IMS data base for other media

deliver data output via an on-line computer system

CAN DO uses county building blocks to estimate audiences for all MSAs, ADIs, DMAs or customized areas contructed on whole county lines. And CAN DO provides estimates for the most important audience breaks--age, sex income, and household size.

If you wish to provide us with the total cost per insertion, CAN DO will give you specific cost-per-thousand information on your newspaper audience.

For further information, contact Susan Lorenzana at (212) 704-4555.

NAB's One-Order/One-Bill Newspaper Placement Service

This service is set up to provide advertisers and agencies with all the information needed to plan and execute any type of multi-newspaper ROP or insert program, including costs, specifications and availabilities. For estimates and information, call Jack Aldinger or Ted Knecht at (212) 704-4520/21. They will handle all paper work, make reservations, issue insertion orders, provide proof-of-performance tearsheets and forward payment to every newspaper on the schedule, billing you on one invoice.

Free-Standing Insert Options

Today inserts can be distributed in nearly every daily and Sunday newspaper in the United States. Circulation achieved is more than 57 million daily and 59 million Sunday. Over 50% of all Sunday editions can distribute an insert in less than their full-run circulation, and more than 75% will accept a product sample attached to an insert. A similar proportion will accept an envelope, either empty or containing inserts or coupons.

Sizes are almost limitless. You can make an insert as large as anything that fits into the newspaper when folded, to 11" x 13", or as small as 5" x 7". Formats are equally varied: from a single page to a booklet of 96 pages or more. Inserts can be long or short and can include flaps, gatefolds, reply cards, coupons, perforations, fragrances, etc. Inserts can be printed on all types of paper, from ordinary newsprint to super-coated card stock.

Standard Advertising Units (SAUs)™

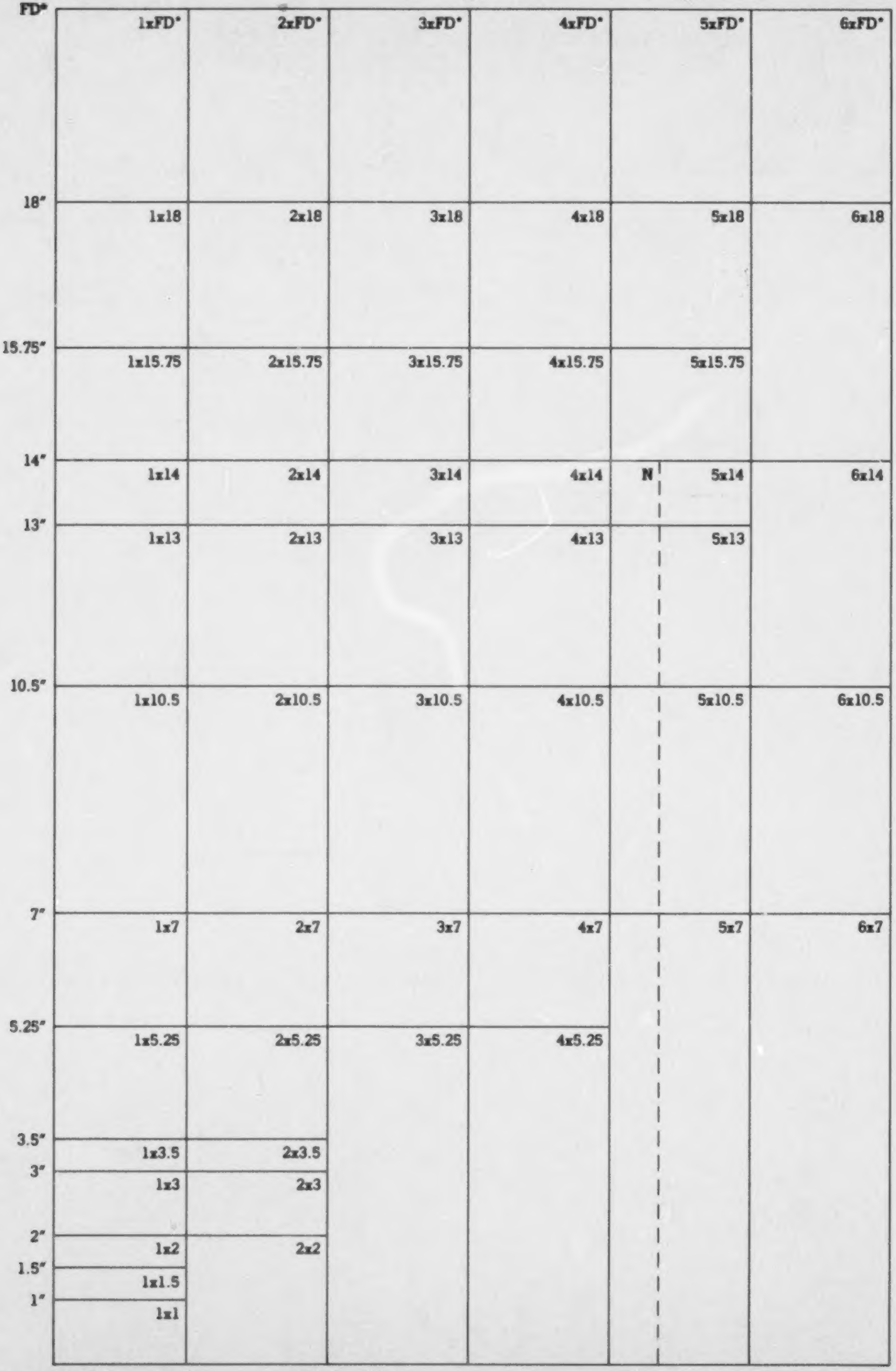
The Standard Advertising Unit system simplifies the production and placement of newspaper advertising. The expanded SAU™ system introduced on July 1, 1984 received the endorsement of AAAA, ANPA, INAME, NAB and other organizations. Practically every daily newspaper in the U.S. accepts SAUs.

Broadsheet newspapers in full compliance with the system have a 6-column format for display advertising, a 13-inch printed page and a standard column width of 2 1/16 inches. Measurement and billing of advertising is based on the standard column inch.

Most tabloids have adopted a 5-column format with the same column width as broadsheets. There are special provisions for short cut-off tabloids. (The expanded SAU™ format chart on page 11 depicts 53 of the 57 advertising sizes developed, including the N size for short cut-off tabloids. The remaining four sizes are all double trucks, as noted.)

For more information or a full-scale SAU™ format chart, call Charles Kinsolving at (212) 704-4544.

The Expanded SAU™ Standard Advertising Unit System



Depth in Inches	1 COL. 2-1/16"	2 COL. 4-1/4"	3 COL. 6-7/16"	4 COL. 8-5/8"	5 COL. 10-13/16"	6 COL. 13"
FD*	1xFD*	2xFD*	3xFD*	4xFD*	5xFD*	6xFD*
18"	1x18	2x18	3x18	4x18	5x18	6x18
15.75"	1x15.75	2x15.75	3x15.75	4x15.75	5x15.75	
14"	1x14	2x14	3x14	4x14	N 5x14	6x14
13"	1x13	2x13	3x13	4x13	5x13	
10.5"	1x10.5	2x10.5	3x10.5	4x10.5	5x10.5	6x10.5
7"	1x7	2x7	3x7	4x7	5x7	6x7
5.25"	1x5.25	2x5.25	3x5.25	4x5.25		
3.5"	1x3.5	2x3.5				
3"	1x3	2x3				
2"	1x2	2x2				
1.5"	1x1.5					
1"	1x1					

13"

1 Column 2-1/16"
2 Columns 4¹/₄"
3 Columns 6-7/16"

4 Columns 8⁵/₈"
5 Columns 10-13/16"
6 Columns 13"

Double Truck 26³/₄"
There are four suggested double truck sizes:

13xFD* 13x18
13x14 13x10.5

Fractional Pages: Column Inch Equivalents, With Standard Advertising Unit Options

Broadsheet

Full page = 126 column inches

6 x 21 (full depth)

Two-thirds page = 84 column inches

4 x 21 (full depth)
6 x 14

Half page = 63 column inches

3 x 21 (full depth)
4 x 15.75
6 x 10.5

One-third page = 42 column inches

2 x 21 (full depth)
3 x 14
4 x 10.5
6 x 7

Quarter page = 31.5 inches

2 x 15.75
3 x 10.5

One-sixth page = 21 column inches

1 x 21 (full depth)
2 x 10.5
3 x 7
4 x 5.25

Tabloid*

Full page = 70 column inches

5 x 14

Four-fifths page = 56 column inches

4 x 14

Three-fifths page = 42 column inches

3 x 14
4 x 10.5

Half page = 35 column inches

5 x 7

Two-fifths page = 28 column inches

2 x 14
4 x 7

One-fifth page = 14 column inches

1 x 14
2 X 7

One-tenth page = 7 column inches

1 x 7
2 x 3.5

* May not apply to the New York Daily News, Newsday and other short cut-off tabloids. Consult individual newspaper for equivalents.

Where to Obtain Rate Information

Through NAB's NEWSPLAN, over 1,000 newspapers with more than 82% of total weekday circulation offer discounts to national and regional advertisers who place ROP column inches or modular units equal to six or more pages per year. For more information, contact Jim Wilson at (212) 704-4503.

Current information on ROP rates for daily and Sunday/weekend newspapers is available from the Economic and Media Analysis Unit of NAB. Contact Yannis Takos at (212) 704-4561.

Among the Economic and Media Analysis Unit reports that include rate information are the following:

MSA METROPOLITAN MARKETS BY HOUSEHOLDS (317 MSAs)

United States markets ranked by number of households in MSA. Lists all newspapers with at least .05 ratio of circulation to households or more than 25,000 circulation. Includes circulation-to-household ratios; metro and total circulation; inch rates; and cost of SAU quarter page, half page and full page. Published separately for weekday and Sunday/weekend editions.

ADI MARKETS BY HOUSEHOLDS (212 ADIs)

Comparable information, ranked by number of households in Area of Dominant Influence rather than by Metropolitan Statistical Area.

CUMULATIVE CIRCULATION AND RATES OF DAILY NEWSPAPERS IN 317 MSAs NECESSARY TO OBTAIN 60% HOUSEHOLD COVERAGE IN EACH MARKET

(For complete list of annual reports prepared by Economic and Media Analysis Unit of NAB, see page 5.)

Current information on rates for preprints and inserts is available from Jack Aldinger at (212) 704-4521 or Ted Knecht at 704-4520.

Newspaper Co-op Network (NCN)

With just one call to Newspaper Co-op Network, manufacturers and advertising agecies can easily place dealer listing co-op ads in any number of markets. Through NCN, you can coordinate your local message with your national brand awareness advertising--and still include local dealer listings in each market.

NCN DOES ALL THE WORK! Here are ten of NCN's unique advantages:

FACT 1 One Order/One Bill makes newspapers easy to use for co-op and eliminates the hassle of multiple orders and invoices.

FACT 2 NCN is cost efficient--It eliminates administration costs and insures the best possible rates available for dealer list co-op advertising.

FACT 3 Stimulates local retailer involvement and produces new retail single-signature advertising.

FACT 4 Flexibility--Tailors newspaper coverage to your needs for any combination of regular or test markets.

FACT 5 Creative control--Advertiser controls both graphics and content.

FACT 6 Guaranteed-timing--Direct placement when and where you want it.

FACT 7 Localized monitoring--Provides a new measurement tool. National Sales Manager now evaluates local market dealer penetration.

FACT 8 Customization--Dovetails ad coverage with local representatives' sales areas or distributor/wholesaler territories.

FACT 9 Specialization--Trouble-shooting capability to solve immediate marketing problems, market by market.

FACT 10 Free sales help!--NCN's newspaper co-op managers act as an extension of your own sales force. (Newspapers have more than 26,000 retail sales people in the field.)

Best of all, NCN WORKS! Ask us for success stories. For more information on NCN, call Frank Hennessey at (312) 644-1295.

Estimating Intermedia Advertising Costs

Media planners often need to compare the cost of various advertising media. One approach to the problem is to use common universe standards as a media base. The Area of Dominant Influence (ADI) is a geographic unit often used for planning purposes, since the 212 ADIs account for the total land area of the United States.*

Intermedia cost estimates can be expressed in terms of households or standard demographic age/sex cells because current figures are available for both broadcast and newspapers. Since major advertisers and agencies are usually concerned with advertising schedules rather than single insertions, the logical measure for potential exposure is Gross Rating Points (GRPs).

The table on page 14 illustrates how GRPs can be used for intermedia comparisons, in this case between TV and newspapers. This table compares the cost-per-household GRP of the quarter-page newspaper space unit (31.5 column inches) with the 30-second commercial unit. The TV daypart used is prime because this is the time period offering a large dual audience, most comparable in size and composition to newspapers.

The figures shown represent a conservative estimate at national open rates, used in the initial stage of setting up a media plan. A final plan specifying particular TV programs and newspapers (with local or earned volume discounts) would show better efficiencies in cost-per-thousand audience delivery.

For further details contact Uldis Grava at (212) 704-4550.

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* This statement applies to the Designated Market Area (DMA) as well. ADI is used by Arbitron; DMA, by Nielsen.

For most marketing purposes, the Metropolitan Statistical Area (MSA) definition of markets is the most appropriate measure, because boundaries are drawn to take into consideration where people live, work and shop. However, the advertising community's standard practice is to use television-oriented market definitions, such as ADIs and DMAs.

Newspaper vs. Television: Top 20 ADI Markets HH Universe and Cost/HH GRP Comparison

ADI Market	HH (000s)	30 second Primetime Spot TV Cost/HH GRP	31.5 inches Daily Newspapers Cost/HH GRP
1. New York	6,924	$659	$722
2. Los Angeles	4,757	$718	$495
3. Chicago	3,110	$320	$348
4. Philadelphia	2,655	$292	$309
5. San Francisco	2,144	$339	$283
6. Boston	2,060	$356	$245
7. Detroit	1,704	$182	$233
8. Dallas/Ft. Worth	1,618	$220	$195
9. Washington, DC	1,581	$218	$210
10. Houston	1,445	$230	$143
Total: Top 10	27,998	$3,534	$3,183
11. Cleveland	1,428	$117	$135
12. Atlanta	1,256	$184	$143
13. Minneapolis/St. Paul	1,236	$150	$152
14. Tampa/St. Petersburg	1,215	$135	$125
15. Seattle/Tacoma	1,244	$184	$124
16. Miami	1,200	$234	$190
17. Pittsburgh	1,207	$131	$157
18. St. Louis	1,092	$106	$114
19. Denver	1,025	$124	$ 97
20. Sacramento	997	$117	$121
Total: Top 20	39,898	$5,016	$4,541

Sources: Media Market Guide, 1st Qtr 1988; PEP Media Database, 1988

A Few Common Newspaper Terms

AD/SAT™	The Satellite Network for Advertising Delivery provides high-resolution facsimile transmission newspaper advertising, by satellite, in minutes.
Broadsheet:	A "standard" or large-size newspaper. In July 1984, most broadsheet dailies adopted a uniform, 13-inch printed page width and a full depth of 21" or deeper, up to 22 1/2".
City zone:	The corporate city limit, plus adjoining areas in cases of heavily populated areas, as designated by the Audit Bureau of Circulation (ABC).
Color scanner:	Electronic equipment that automatically produces separations for ROP process (or "full") color.
Column inch:	Space measurement one column wide and one inch deep. (See "SAUs", pp 10,11,12.)
Double truck:	Two facing pages used for a single unbroken advertisement. Also called a two-page spread.
Facsimile transmission:	The electronic transmission of a page image (usually to printing plants at other sites).
Front-end system:	A total computer system for text entry, editing, formatting and/or billing, for editorial, display advertising and/or classified advertising.
Pagination system:	A computerized makeup system for composing whole pages of type, line art and halftones.
Penetration:	For a given newspaper within a specified area, the ratio of circulation to households; the newspaper equivalent of a household rating in broadcast.
ROP ("run-of-paper"):	ROP is a term generally applied to ads that appear on a newspaper page (as distinguished from inserts or preprints).
Scotch double truck:	A single unbroken advertisement on two facing pages bordered by one full column of editorial on each of its vertical sides and by shallow columns of editorial across the top.
Tabloid:	A newspaper with a smaller page size than a broadsheet. A full tabloid page is usually 14 inches deep. The width varies from 9 3/8" ("short cut-off") to 10 13/16" ("long cut-off").

How Newspaper Advertising Works

The daily newspaper is a unique advertising medium that readers value as a useful source for many kinds of information. The most common way of reading the paper is to start with the front page and go through the issue page by page, scanning it for articles and ads that look "interesting". Readers know the difference between editorial content and advertising, but in practice they don't pay much attention to this distinction.

The human eye's efficiency as a scanning device makes it easy for readers to find the articles and ads they want to read. As a result, interest in newspaper ads is highly correlated with buying interest:

Average Interest Level in Newspaper Ads
(by Prospect Status)

	Interest in Ad
Prospects:	
I ("hottest" prospects)	87%
II	75
III	47
Non-prospects:	
IV	48%
V	37
VI ("coldest" non-prospects)	14

Source: Newspaper Advertising Bureau collation of surveys by individual newspapers, 1985-1986.

This close link between prospect status and interest in advertising may seem self-evident, but it does not necessarily hold for other media in which advertisers depend on novelty, humor or celebrity presenters to attract the consumer's attention.

Editorial Environment: Newspaper Sections and Features

The daily and Sunday newspaper provide varied editorial environments to meet the needs of almost any advertiser.

A 1987 survey of newspapers enables NAB to supply a computerized list of newspapers that regularly carry a specific section or feature. This list, alphabetized by state and by city within state, tells which days of the week the section or feature runs, as well as the newspaper's policy on positioning advertising in that section or adjacent to that feature.

SECTIONS on which information is available include:

- Business, Finance
- Entertainment
- Fashion
- Food
- Home
- Lifestyle, Women
- Science
- Sports
- TV, Radio
- Travel

FEATURES (partial listing):

- Advice on personal finance
- Astrology
- Automotive
- Beauty

- Best food buys
- Books
- Business, financial
- Career advice

- College
- Computers (personal)
- Diet, nutrition
- Fashion, men

- Fashion, women
- Fashion, teenage
- Games and puzzles
- Gardening

- Health and medical
- Home repair, building
- Home furnishings
- Movie timetable

- Music, records, tapes
- Op Ed page
- Outdoors: camping, etc.
- Personal advice

- Pets
- Physical fitness
- Real estate
- Recipes

- Religion
- Restaurants
- Science
- Stamps, coins

- Theater
- Travel & resort
- Videotape reviews
- Wine

For information, call Chuck Lehman at (212) 704-4564.

Kinds of Newspaper Items and Advertising "Usually Read"
(by sex)

Editorial	Total Adults	Men	Women
News about local community	84%	84%	83%
International or world news	75	79	71
News briefs, summary of news	74	77	72
News about President, Congress	72	79	66
News about local politics, gov't.	69	74	65
News about economy, jobs, inflation	68	73	62
News about celebrities	65	56	74
TV program listings	60	58	62
Advice columns	59	43	73
Comic strips, "funnies"	58	60	56
Calendar of local events	57	52	61
Editorials, editor's opinions	55	53	58
Letters to the editor	55	51	58
Food pages	54	35	72
Investigative, in-depth articles	53	52	54
Sports news: local schools	53	63	43
Public opinion polls	52	54	50
Sports news: professional teams	51	72	32
Obituaries	50	43	57
Movie reviews	48	44	52
Fashion and lifestyle features	47	26	67
Business and financial news	46	57	36
Political opinion columns	45	48	41
Book reviews	27	21	32
Crossword puzzles	26	22	29
Advertising			
Supermarket ads	58%	40%	73%
Store ads for clothing	57	40	73
Movie ads	50	47	53
Help wanted classified	43	42	44
Real estate classified	31	34	28
Base: Total newspaper readers = 100%	(1,702)	(698)	(1,004)

Source: Response Analysis Corporation, 1987

Question: Each of these cards contains a different kind of news, feature or advertising item appearing in most daily newspapers. Please look through them and put to one side the kinds of things you don't usually read or look at.

The best newspaper readers are the best customers for most products and services, and the newspaper is the perfect complement for any TV schedule.

Heavy Users of Newspapers and Television

Demographic Segment	Top Quintile: Newspaper Index*	Top Quintile: Television Index*
Household income $60,000 or more	172	54
Indiv. employment income $35,000 or more	162	54
College graduate	157	59
Manager, administrator	155	63
Own home valued at $100,000 or more	155	69
Household income $50,000-$59,999	145	67
Northeast Census region	142	75
Indiv. employment income $30,000-$39,999	138	63
Professional	134	49
Age 45-54 years	133	86
One-three years college	131	86
Household income $40,000-$49,999	123	78
Own home valued at $60,000-$99,999	121	97
Technical, clerical, sales occupation	118	60
Age 35-44 years	115	78
Household income $35,000-$39,999	109	92
Suburban resident	109	98
Household income $30,000 - $34,999	103	89

Source: Mediamark Research Inc., Spring 1987

* Proportion of total adults in top quintile (20%) = 100.

Daily Newspaper Gross Rating Points (GRPs)

(One, five and thirteen weekdays)

	One Weekday	Two Weekdays	Thirteen Weekdays
Total Adults	78	390	1014
By sex:			
Men	83	415	1079
Women	74	370	962
By age:			
18-24 years	63	315	819
25-34 years	69	345	897
35-44 years	81	405	1053
45-54 years	92	460	1196
55-64 years	87	435	1131
65 years or older	82	410	1066
By education:			
College graduate	100	500	1300
1-3 years college	83	415	1079
High school graduate	77	385	1001
Some high school or less	59	295	767
By household income:			
$60,000 or more	104	520	1352
$50,000-$59,999	95	475	1235
$40,000-$49,999	84	420	1092
$30,000-$39,999	81	405	1053
$20,000-$29,999	73	365	949
$10,000-$19,999	61	305	793
Under $10,000	54	270	702
By occupation:			
Professional, manager	95	475	1235
Technical, clerical, sales	83	415	1079
Precision, craft	71	355	923
Other employed	69	345	897
Not employed	73	365	949

Source: Mediamark Research Inc., Spring 1987

Sunday/Weekend Newspaper Gross Rating Points (GRPs)

(One, five and thirteen Sundays)

	One Sunday	Five Sundays	Thirteen Sundays
Total Adults	73	365	949
By sex:			
Men	74	370	962
Women	72	360	936
By age:			
18-24 years	66	330	858
25-34 years	68	340	884
35-44 years	77	385	1001
45-54 years	83	415	1079
55-64 years	80	400	1040
65 years or older	72	360	936
By education:			
College graduate	91	455	1183
1-3 years college	82	410	1066
High school graduate	75	375	975
Some high school or less	52	260	676
By household income:			
$60,000 or more	95	475	1235
$50,000 - $59,999	89	445	1157
$40,000 - $49,999	84	420	1092
$30,000 - $39,999	77	385	1001
$20,000 - $29,999	68	340	884
$10,000 - $19,999	59	295	767
Under $10,000	47	235	611
By occupation:			
Professional, manager	89	445	1157
Technical, clerical, sales	80	400	1040
Precision, craft	70	350	910
Other employed	66	330	858
Not employed	68	340	884

Source: Mediamark Research Inc, Fall 1987

The Reading of Daily Newspapers

Average number of times read or looked at and
average time spent reading dailies yesterday
by day of the week and number of papers read*

	Avg. No. Times Read/Looked at Newspaper	Avg. Time Spent Reading (minutes)
Monday		
Read one daily	1.5	38
Read two or more dailies	3.0	61
Tuesday		
Read one daily	1.5	40
Read two or more dailies	2.7	59
Wednesday		
Read one daily	1.5	38
Read two or more dailies	3.1	59
Thursday		
Read one daily	1.6	42
Read two or more dailies	3.2	72
Friday		
Read one daily	1.6	39
Read two or more dailies	2.8	58
All Yesterday Readers (Total N = 1,352)	1.8	44

* Audits & Surveys, Inc, 1982: National sample of 1,979 adults interviewed in person about "yesterday's" newspaper reading. Interviews were equally distributed across the week, Tuesday through Saturday; "yesterday reading" behavior was probed for three dayparts.

Source: Newspapers in American News Habits,
Newspaper Advertising Bureau, 1986.

Page Opening:
Daily Newspaper Pages or Sections Usually Read
(Total adult readers, by sex)

	Percent of Weekday Audience:		
	Adults	Men	Women
Usually read every page	63%	63%	62%
Read certain pages or sections	37	37	38
Business, finance	76	78	74
Classified	76	76	76
Comics	76	76	77
Editorial page	78	77	79
Food, cooking	77	71	82
General news	92	92	93
Home furnishings, gardening	74	71	78
Sports	80	88	72
TV, radio listings	76	75	78
Projected base: Average weekday audience (in 000s)	(107,753)	(52,597)	(55,156)

Source: Simmons Market Research Bureau, 1986 Study of Media & Markets.

For details on other demographic segments, see:
Daily Newspaper Page Opening: Pages and Sections Usually Read, Newspaper Advertising Bureau, 1987.

Reach, Frequency and Gross Rating Points for Daily Newspapers at Varying Levels of Penetration

	Number of Weekday Issues:				
	One	Two	Three	Four	Five
Gross Rating Points	15	30	45	60	75
Net Reach	15%	19%	22%	23%	25%
Average Frequency	1.0	1.6	2.0	2.6	3.0
Gross Rating Points	20	40	60	80	100
Net Reach	20%	26%	29%	31%	33%
Average Frequency	1.0	1.6	2.1	2.6	3.0
Gross Rating Points	25	50	75	100	125
Net Reach	25%	32%	36%	39%	41%
Average Frequency	1.0	1.6	2.1	2.6	3.0
Gross Rating Points	30	60	90	120	150
Net Reach	30%	38%	43%	46%	48%
Average Frequency	1.0	1.6	2.1	2.6	3.1
Gross Rating Points	35	70	105	140	175
Net Reach	35%	45%	50%	54%	56%
Average Frequency	1.0	1.6	2.1	2.6	3.1
Gross Rating Points	40	80	120	160	200
Net Reach	40%	51%	57%	61%	64%
Average Frequency	1.0	1.6	2.1	2.6	3.1
Gross Rating Points	50	100	150	200	250
Net Reach	50%	64%	71%	75%	78%
Average Frequency	1.0	1.6	2.1	2.7	3.2

These estimates assume a turnover rate of 28%, which is average for metropolitan newspapers. Since reach and frequency patterns for individual newspapers vary, these estimates should be used only in the absence of local data.

For $10 per copy, postpaid, member newspapers and advertisers can obtain a 5 1/4" diskette that calculates reach and frequency up to 13 issues. It can be run on a Lotus 1-2-3[a] program installed on an IBM PC or compatible. The only input required is net percent coverage for one and two issues. To order, write Research Dept.; Newspaper Advertising Bureau; 1180 Avenue of Americas; New York, NY 10036.

a) Both Lotus and 1-2-3 are registered trademarks of Lotus Development Corporation.

Number of Daily and Sunday Newspapers in the United States

Year	Morning	Evening	All Day	Total Daily	Sunday
1985	456	1,196	26	1,678	798
1986	470	1,161	30	1,661	803
1987	489	1,135	31	1,655	815

Circulation of Daily and Sunday Newspapers in the United States
(in millions)

Year	Morning	Evening	Total Daily	Sunday
1985	36.4	26.5	62.9	58.8
1986	37.6	25.1	62.7	58.9
1987 (Prelim)	38.8	23.9	62.6	60.2

(Circulation of all-day newspapers is apportioned between "Morning" and "Evening".)

1986 Newspaper Data for Canada

	Morning	Evening	Total Daily	Sunday/ Weekend
Number of newspapers	29	82	108	21
Circulation (millions)	3.1	2.3	5.4	3.3

(Three all-day newspapers counted both in AM & PM columns, but only once in the total. Circulation for these papers is equally divided between AMs and PMs.)

How Much Do People Spend to Read Daily and Sunday Newspapers?
1986 Estimate of Annual Expenditures in the United States
(in billions of dollars)

Weekday	Sunday	Total
$5.41	$2.64	$8.05

Sources: SRDS, Editor and Publisher Yearbook; ABC; CARD.
Prepared by Newspaper Advertising Bureau, Inc.

Readers-per-Copy Estimates for Total U.S.

	Weekday	Sunday/Weekend
Adults	2.12	2.12
Men	1.07	1.02
Women	1.05	1.10

Sources: Estimate by Newspaper Advertising Bureau, based on 1986 SMRB Study of Media & Markets; Editor and Publisher Yearbook, 1986.

Weekday Newspaper Readers-per-Copy in Top 50 ADIs

Total: Top 50 ADIs	2.62
Markets 1 - 10	2.76
Markets 11 - 25	2.61
Markets 26 - 50	2.56

Source: Scarborough's 1987 Newspaper Audience Ratings Study.

Average Weekday Coverage of Professionals and Managers

	Total U.S. (in millions)	Daily Readers (in millions)	Percent of Total
Total professionals & managers	26.8	18.6	69%
Individual employment income of $35,000 & over	9.0	7.1	79%
College graduate	16.3	11.6	71%
Involved in PC or EDP computer purchase decisions	4.2	3.1	74%
Manage or influence investments of institutional or corporate funds	1.3	1.0	80%

Source: Mediamark Research Inc, 1987

The size of the daily audience varies little over the five weekdays...

Index of Daily Newspaper Readership by Adults

	Average Weekday	Monday	Tuesday	Wednesday	Thursday	Friday
Total adults	100	98	100	102	100	101
Men	101	99	101	102	102	100
Women	99	97	98	102	98	101

Source, Audits & Surveys, Inc, 1982.

...mainly because most newspaper readers are subscribers.

How Daily Newspapers Read Yesterday Were Obtained

	Weekday	Sunday
Subscribe, delivery	70%	63%
Bought single copy	20	31
Family member brought home	2	2
Obtained otherwise	8	4

Source: Response Analysis Corporation, 1986.

And newspaper reach is virtually constant throughout the year.

Index of Month-by-Month Circulation

	J	F	M	A	M	J	J	A	S	O	N	D
AM	101	101	101	101	100	99	97	98	99	101	101	100
PM	99	100	100	100	100	100	99	99	100	101	101	101
Sun/wknd	100	101	101	101	100	99	98	98	100	101	101	100

* Average month circulation = 100.

Source: Media General, Inc, survey of ICMA members. Data cover the years 1976-1980 and are weighted by circulation size and geographic region to represent national totals.

Creativity in Newspaper Advertising

Creativity is the vital ingredient for success in any advertising medium. An extensive analysis of readership scores for newspaper ads shows that the Starch Noted scores for two ads of the same size and product category can vary by ratios of as much as two to one.

The Creative Newspaper, available through NAB's members, reproduces outstanding creative efforts in every advertising category, and shows how progressive advertisers are taking advantage of the newspaper's new color capabilities and improved reproduction.

"Objective" characteristics such as the use of a package illustration or the position of the headline, account for only small differences in attention value and interest, and formulas that recommend using overworked headline words like "new" cannot guarantee high readership.[1]

The use of very general principles can be helpful: Keep the layout uncluttered. Suit the artwork to the newspaper medium. Use illustration and headline to communicate product benefits. However, general principles have limited value if the creative spark is missing.

---

1) For further details, see: Research Facts on Position, Timing and Creativity, Newspaper Advertising Bureau.

Estimating Ad Readership

Page opening is the accepted measure of opportunity for advertising exposure. Other measures, such as Starch "Noted" scores, are also widely used as indications of a specific ad's attention value. It is well known that any such measure varies with the nature of the advertised product, size of ad and creative treatment.

Only a readership survey can provide reliable clues to a specific ad's attention value, but in the absence of a survey, average reported readership for a large number of ads may be useful. Average reported readership figures also provide a useful benchmark for evaluating the performance of individual measured ads.

Percent of Ads Read on Opened Pages
(by size of ad)

Less than one-quarter page	12%
One-quarter to less than half page	17%
Half to less than full page	25%
Full page or more	44%

Source: Audits & Surveys, Inc, 1982. (Unweighted base is 16,605 ads of five column inches or more appearing on randomly selected sample pages of newspapers read "yesterday". For more details, see Newspaper Pages, Ads and Readers, Newspaper Advertising Bureau, 1984.)

Ad readership varies little whether the ad appears on the left or right side of the page...

	Left	Right
Men	99	102
Women	100	100

...above or below the fold...

	Above Fold	Below Fold
Men	99	101
Women	100	100

...or in the gutter or outside position.

	Gutter	Outside
Men	100	101
Women	101	100

But...editorial environment can affect performance.

Advertisements for Products of Interest to Both Men and Women

Type of Page:	Men	Women
Sports	114	49
Food, home	63	101
General news	100	101

NOTE: Index - Starch "Noted" score for average ad = 100.

Source: MMN Starch studies of 32,000 newspaper ads. For more details, see Research Facts on Position, Timing and Creativity, Newspaper Advertising Bureau, 1986.

Multiple Insertions: How Advertising Exposure Accumulates

Obtaining direct measures of the number of people reached by multiple ad insertions is impractical, whatever the medium. However, if it can be assumed that the likelihood of newspaper readers seeing one or more ads in a campaign is approximately the same as the likelihood of seeing one or more in a single newspaper issue with the same total number of insertions, it is possible to estimate the cumulative effect of multiple insertions.

The first step is to establish the average exposure level for a single insertion, either through custom research or by the use of an estimate. Given this base figure, it can be assumed that multiple insertions will build along the lines shown in the following table.

Estimated Net Reach and Frequency for Multiple Ad Insertions

Average for Single Insertion:	Number of Ads in Campaign:					
	Two	Three	Four	Five	Six	Seven
20% net reach:*	30%	38%	45%	50%	55%	58%
avg. freq:	1.3	1.6	1.8	2.0	2.2	2.4
25% net reach:	37%	46%	53%	59%	63%	66%
avg. freq:	1.4	1.6	1.9	2.1	2.4	2.6
30% net reach:	43%	53%	61%	67%	71%	74%
avg. freq:	1.4	1.7	2.0	2.2	2.5	2.8
35% net reach:	50%	60%	68%	74%	78%	80%
avg. freq:	1.4	1.8	2.1	2.4	2.7	3.1
40% net reach:	55%	65%	73%	79%	83%	85%
avg. freq:	1.5	1.8	2.2	2.5	2.9	3.3
45% net reach:	60%	70%	78%	84%	87%	89%
	1.5	1.9	2.3	2.7	3.1	3.5

* Net reach = percent of exposed audience reached one or more times.

Source: "Yardstick of Accumulative Newspaper Ad Readership"

Newspaper Advertising Expenditures*
(billions of dollars)

	National	Retail	Classified	Total
1981	2.3	9.7	4.6	16.5
1983	2.7	11.8	6.0	20.6
1984	3.1	12.8	7.7	23.5
1985	3.4	13.4	8.4	25.2
1986	3.4	14.3	9.3	27.0
1987	3.5	15.2	10.7	29.4

* Production costs included.

Source: NAB estimates (ADEST).

Newspaper Insert Advertising Volume

	Free-Standing Inserts (Card & Multi-Page) (billions)	Free-Standing Insert Revenue** (billions)
1980	27.7	$2.0
1982	30.0	$2.5
1984	41.3	$3.7
1985	45.4	$4.2
1986	51.5	$4.9
1987	54.8	$5.4

** Printing costs included.

Estimated Tabloid (10 3/4" x 13") Insert Costs For All Sunday Newspapers Published Within PMSA

PMSA (Top)	Number of Newspapers	Circulation in Millions	Cost per 1,000				
			2 Pages	4 Pages	8 Pages	12 Pages	16 Pages
10	46	15.5	36.76	37.34	43.35	48.85	53.07
25	107	23.9	36.80	37.44	43.37	49.04	53.31
50	167	33.5	36.33	37.75	43.50	49.14	53.48
75	221	39.2	36.85	38.26	43.69	49.27	53.64
100	259	42.6	36.86	38.27	43.78	49.34	53.75
150	327	47.5	36.89	38.42	44.10	49.52	54.06
200	387	50.7	36.93	38.58	44.37	49.70	54.19
250	431	52.4	37.01	38.80	44.61	49.97	54.37
315	493	54.4	37.22	39.08	44.86	50.19	54.54

Sources: Circulation '86/87; individual newspapers;
Newspaper Advertising Bureau.

ROP Color: Availability and Premiums

The great majority of newspapers offer ROP color advertising. In the 317 MSA markets, SAU™ quarter-page ads in BW&1C can reach 68% of the total weekday circulation. Full-page ads in BW&3C can reach 88% of the total circulation.

Cumulative Percent of Total Circulation Represented by Daily Newspapers Offering ROP Color[a]

	Accept SAU Full-Page Ad		
	One Color	Two Colors	Full Color
Top 50 MSAs	92%	83%	82%
Top 100 MSAs	94	86	85
Top 200 MSAs	95	88	87
All 317 MSAs	95	89	88

a) All daily newspapers with at least .05 ratio of circulation to households, or more than 25,000 circulation in the MSA.

Percent Color Premium Above Black and White Cost

	SAU Full Page		
MSA Rank	One Color	Two Colors	Full Color
1 - 100	10%	14%	16%
101 - 200	10	14	18
201 - 317	10	15	20
Total 317	10%	14%	17%

Sources: ANM Circulation '85/'86; SRDS, August 1986.
Prepared by Newspaper Advertising Bureau.

TOTAL U.S. ADVERTISING VOLUME
(Billions of dollars)

Medium:	1985		1986		1987	
	Billions	% Share	Billions	% Share	Billions	% Share
Newspapers total	$25.2	26.6%	$27.0	26.4%	$29.4	26.8%
national	3.4	3.5	3.4	3.3	3.5	3.2
local	21.8	23.0	23.6	23.1	25.9	23.6
Magazines total	$ 5.2	5.4%	$ 5.3	5.2%	$ 5.6	5.1%
weeklies	2.3	2.4	2.3	2.3	2.5	2.2
women's	1.3	1.4	1.4	1.3	1.5	1.3
monthlies	1.6	1.7	1.6	1.6	1.7	1.5
Farm Publications	$ 0.2	0.2%	$ 0.2	0.2%	$ 0.2	0.2%
Television total	$20.8	21.9%	$22.6	22.1%	$23.5	21.4%
network	8.3	8.7	8.6	8.4	8.8	8.0
spot	6.0	6.3	6.6	6.4	6.8	6.2
cable (national)	0.6	0.7	0.8	0.7	0.9	0.8
local	5.7	6.0	6.5	6.4	6.8	6.2
cable (local)	0.1	0.1	0.2	0.2	0.2	0.2
Radio total	$ 6.5	6.8%	$ 6.9	6.8%	$ 7.2	6.6%
network	0.4	0.4	0.4	0.4	0.4	0.4
spot	1.3	1.4	1.3	1.3	1.3	1.2
local	4.8	5.1	5.2	5.1	$ 5.5	5.0
Direct Mail	$15.5	16.4%	$17.1	16.8%	$19.0	17.3%
Business Papers	$ 2.4	2.5%	$ 2.4	2.3%	$ 2.5	2.3%
Outdoor total	$ 0.9	1.0%	$ 1.0	1.0%	$ 1.0	0.9%
national	0.6	0.6	0.6	0.6	0.6	0.6
local	0.3	0.4	0.4	0.4	0.4	0.4
Miscellaneous total	$18.2	19.2%	$19.6	19.2%	$21.2	19.3%
national	9.6	10.1	10.2	10.0	11.0	10.0
local	8.6	9.1	9.4	9.2	10.2	9.3
Total National	$53.4	56.3%	$56.9	55.7%	$60.6	55.2%
Total Local	$41.4	43.7%	$45.3	44.3%	$49.1	44.8%
GRAND TOTAL	$94.8	100.0%	$102.1	100.0%	$109.8	100.0%

Estimates include all costs: time & talent, space & production. Sources: McCann-Erickson, Inc; Newspaper Advertising Bureau. Prepared by Research Department, (212) 704-4561. Individual entries may not add to total because of rounding.

Newspapers continue to be the number-one medium for coupons.

Distribution Pattern of Manufacturers' Cents-Off Coupons

	1986	1985	1984
Newspapers	83.7%	82.2%	82.1%
ROP Solo	7.4	12.2	17.3
Co-op (All)	7.1	8.0	10.0
Free-Standing Insert	68.0	59.9	51.5
Sunday Magazine	1.2	2.1	3.3
Magazines	6.5	8.6	8.5
Direct Mail	4.0	4.4	4.4
In/On Package	5.8	4.8	5.0

Source: Manufacturers Coupon Control Center, 1987.

MC3 also reports that consumer use of coupons surged in 1986. In all, consumers redeemed 7.32 billion manufacturer coupons this past year, based on industry estimates developed by Manufacturers Coupon Control Center. This reflects a 13% increase over the 6.49 billion coupons redeemed in 1985. In the last four years, redemption of coupons increased by 63%, rising from 4.48 billion in 1982 to 7.32 billion during this latest year.

Using coupons, consumers saved a total of $2.75 billion on their shopping bills in 1986.

Food Shopping

The homemakers who spend the most on groceries are the best newspaper readers.

Amount Spent in Average Week:	Coverage	
	Average Weekday	Average Sunday
$40 or less	56%	56%
$41 - $70	62	65
$71 or more	65	69

About one third of those doing major food shopping within the past four weeks favor "no particular day" of the week. 46% do their major food shopping on Thursday, Friday or Saturday.

Major Food Shopping - Day of Week Usually Shop

	Adults	Men	Women
Monday	4%	3%	5%
Tuesday	4	4	4
Wednesday	7	7	6
Thursday	10	9	10
Friday	18	18	19
Saturday	18	18	19
Sunday	4	4	4
No particular day	35	37	33
Projected totals (in millions)	(124.4)	(48.6)	(75.8)

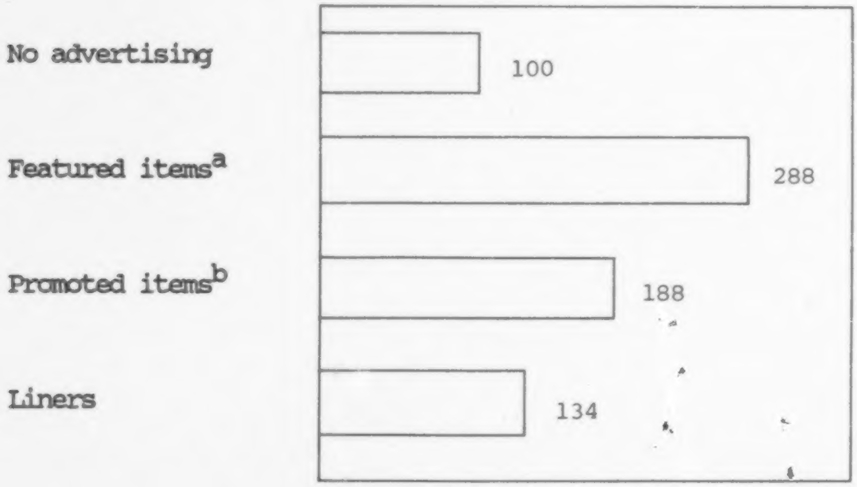
Source: Simmons Market Research Bureau, 1986 Study of Media & Markets.

How Newspaper Advertising Affects Package Goods Sales

In 1980, computerized scanner records were used to analyze the effect of ad linage and price cuts on product movement. The analysis covered 479 items appearing in ads for 17 stores. Unit and dollar sales were recorded for the week of the ad and two weeks before (the base period).

Results show that, on average, newspaper advertising triples volume for items advertised at cut prices. The sales effectiveness of newspaper ads doesn't depend on price cuts--advertising goods at regular prices doubles sales.

Sales results for items advertised at regular prices are closely tied to the amount of advertising space:



---

a) Four square inches or more.

b) Larger than a liner but less than four square inches.

Retail Shopping

Percent of This Week's Purchases Not Planned Last Week

	Percent Unplanned
Women's wear (average, all items)	86%
Men's wear	82
Children's, infants' wear	85
Stationery, gift items	76
Major appliances, TV, stereo	88
Furniture, furnishings	79
Household textiles, sewing items	85
Housewares and supplies	95
Sporting goods	85

Advertising Influence on Last Unplanned Purchase

	Saw or Heard Advertising		Source of Advertising
Total reporting unplanned purchase	41%	=	100%*
Newspaper			60%
Television			17
Direct Mail			15
Magazine			6
Radio			5
Something left at door			3
No answer			1

* Total exceeds 100% because of multiple answers.

Source: Response Analysis Corporation, 1982.

(For more details, see How America Shops and Buys, Newspaper Advertising Bureau, 1983.)

For men, the most popular day for general merchandise shopping is Saturday. For women, it's "no special day".

Day of Week Main Shopping Likely to Occur
(Women)

	Toiletries, Drugs	Clothing	Sheets, Towels, etc	Appliances	New Car
Monday............	7%	6%	5%	5%	6%
Tuesday...........	5	4	3	3	2
Wednesday.........	9	7	6	3	4
Thursday..........	15	5	5	3	4
Friday............	20	11	9	6	8
Saturday..........	16	34	32	33	27
Sunday............	2	2	3	3	3
No special day.....	25	31	35	43	45

(Men)

	Clothing	Appliances	New Car
Monday.............	5%	5%	8%
Tuesday............	4	4	2
Wednesday..........	6	5	4
Thursday...........	5	4	4
Friday.............	16	12	10
Saturday...........	42	42	39
Sunday.............	2	2	4
No special day......	19	26	29

Source: R. H. Bruskin Associates, The Bruskin Report, #128, October 1984.

Most Believable Advertising Medium

	Percent Selecting
Newspaper	48%
Television	21
Direct mail	8
Magazines	8
Radio	4
All media equally believable	5
No answer	6

Source: Henry Senft Research Associates, Inc., 1986

The Selling Power of ROP Color

Advertisers know that color increases the effectiveness of their ads. Color attracts attention, generates excitement and enhances the appeal of advertising.

A 1985 split-run study[1] by four newspapers testing 12 ads showed that the color ads outsold the same ads in black and white by 42%.

---

1) For further details, see The Selling Power of ROP Color, Newspaper Advertising Bureau, 1986.

Consumers in the Classified Marketplace

The classified pages of daily and Sunday newspapers constitute a massive marketplace. Even when Americans aren't actively looking for a car, a job or a home, many try to keep up with ongoing trends in these three vital areas of living:

Percent of Adults Who Try to Keep up with Trends

In car models, prices, etc.	33%
In the job market, salaries, etc.	37%
In real estate, housing prices, etc.	41%

For keeping up with automotive, employment and real estate trends, the main sources of information are the daily and Sunday newspaper, especially the classified pages:

Main Source of Information on Trends

	Automotive	Employment	Real Estate
Classified ads, daily or Sunday newspaper	59%	59%	63%
Friends, relatives, coworkers	17	35	28
Television, TV	18	9	3
Magazines	11	10	5
Weekly newspapers, classified	5	4	7
Radio	2	3	1
Car dealers, lots	12	NA	NA
Union, trade association	NA	6	NA
All other mentions	11	13	20
Base: Those who like to keep up with trends	(382)	(435)	(465)

Source: Response Analysis Corporation, 1986.

Advertising-to-Sales Ratios for Selected Retail Stores and Services (1986)

	Ad Dollars as Percent of Sales
Amusement & recreation services (misc)	4.8%
Apparel & accessories stores	2.4
Auto dealers & gas stations	3.2
Automotive repair & service	2.7
Computer programs & software	3.0
Computer stores	2.9
Data processing services	1.0
Department stores	3.1
Drug & proprietary stores	1.5
Eating places	3.8
Educational services	4.7
Equipment rental & leasing	6.5
Finance services	2.7
Furniture stores	5.8
Grocery stores	1.5
Health & allied services	1.4
Hotels, motels	3.5
Household appliance stores	3.8
Jewelry stores	5.1
Lumber & building materials	2.8
Mobile home dealers	1.3
Motion picture theaters	3.5
Newspaper publishing	2.9
Personal services	6.6
Radio & TV broadcasters	3.8
Radio, TV & music stores	4.9
Real estate agents & managers	3.6
Shoe stores	1.8
Variety stores	2.3

Source: Pansophic Systems, Inc, as reported in *Advertising Age*, October 12, 1987.

Note: Data compiled from financial statements for publicly held companies, not from media auditing services. Figures may not be representative of all businesses in category.

-A8600-8.52F 10/88

NEW VEHICLE PURCHASERS

Who They Are & How They Buy

Newspaper Advertising Bureau, Inc.
1180 Avenue of the Americas
New York, New York 10036
212 921-5080

NEW VEHICLE PURCHASERS

Who They Are & How They Buy

August 1988

© Newspaper Advertising Bureau

1988

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HIGHLIGHTS

1. Most new vehicle buyers enter and exit the automotive market fairly quickly. The median time spent gathering information was three weeks; two weeks were spent visiting dealers; and one week elapsed between the time a make and model was chosen and the actual purchase. The better-educated and those with higher incomes spent more time completing their purchase (pp. 18-22).

2. On average, new vehicle buyers visited three different dealers during the shopping process. One-fourth (24%) visited only one dealer, and fully 66% visited not more than three. Nearly eight in ten made only one or two trips to negotiate a final price with the dealer. Test drives are serious business: most tested only one or two different new vehicles before buying (pp. 34-36).

3. All-week shopping is the norm. Fully two-thirds said they shopped for a new vehicle on weekdays and weekends equally (35%), mostly on weekdays (16%), or mostly on weekends (14%). Only 11% reported shopping only on the weekends, and 24% reported weekday-only shopping (pp. 36-37).

4. When they wanted information on new vehicles, buyers turned to the print media. Dealer/manufacturer's brochures were the most frequently named source of information (62%), followed by newspaper ads (43%), magazine ads (37%), and television ads (35%). Few utilized auto traders, radio ads, or outdoor advertising as sources of information (pp. 47-51).

5. New vehicle buyers are strong newspaper customers. Seven in ten (72%) have a local daily or Sunday paper delivered to their home; 58% have both editions delivered. Two-thirds (66%) said they read a daily paper every day or most days of the week, and 74% read three of the last four Sunday papers (pp. 61-62).

6. Newspapers are the prime source used when selecting dealers to visit. Half (53%) chose their newspaper as the most helpful medium, compared to 21% for television, 7% for magazines and 7% for radio. Twelve percent selected other print media, such as manufacturer's brochures or auto traders (pp. 51-52).

7. When shopping, most new vehicle buyers read the automotive classified ads in their local daily newspaper on a regular basis. Six in ten (59%) said they browsed the ads at least once a week; 17% reported daily reading (pp. 53-55).

8. Classified ads let new vehicle buyers shop at home. A majority said the ads were helpful when comparing the selection of vehicles offered by different dealers, making price comparisons, comparing dealer locations, comparing dealer incentives, and estimating the current value of cars and trucks they own (pp. 55-56).

9. More than four in ten (44%) were still reading the automotive classified ads several months after they had purchased their new car or truck. Those who continue to shop the ads tend to read them regularly: 65% read the ads at least once a week. Special automotive sections, where available, are well received. Most reported reading these sections whenever they appear or at least occasionally, or when they're in the market for a new vehicle (pp. 61-62).

10. Buyers want solid, actionable information in classified ads. Price (58%) and warranty information (54%) were most frequently rated as "extremely" or "very" important in getting the buyer's attention. Itemizing available makes and models was also highly rated by one-half of all buyers (pp. 56-60).

11. Men continue to buy the majority of new vehicles, though women now account for 40% of the total market. Compared to the car-owning public as a whole, new vehicle buyers are more likely to be well educated and to have higher incomes. Import buyers tend to be younger and better educated than domestic buyers. They're also more likely to be single. Women purchase 47% of all imported vehicles, but only 35% of all domestics (pp. 1-3).

12. Three-fourths (76%) of all new vehicle buyers had purchased a new car or truck in the past, and 16% had purchased used vehicles. Only 8% had no vehicle-buying experience. More than four in ten (42%) light truck and minivan purchases were made by people who had not previously owned that type of vehicle (pp. 4-5).

13. Six in ten (58%) buyers had some type of help (usually from a spouse or parent) in the purchasing process. Most frequently, help came in the form of visiting dealers (48% of all buyers got this type of help), and helping the buyer decide which specific car or truck to buy (37%). Other help included negotiating a price with the dealer (29%) and selecting dealers to visit (23%). Substantial demographic differences were observed in the patterns of involvement by others (pp. 13-16).

14. Motives given for buying a new vehicle at that particular time included a desire for a new vehicle (57%), a need to replace an older car or truck (50%), a special deal (30%), and a need for an additional vehicle for (27%) home or work (pp. 16-18).

15. Nearly two-thirds (64%) seriously considered another 1988 vehicle, and a few (17%) considered a used vehicle as an alternative to the new car or truck they finally bought (pp. 22-25).

16. Reliability was the number one consideration in vehicle selection, rated "extremely" or "very" important by 88%. Number two was the manufacturer's reputation (79%). Other factors rated highly by a majority included: interior comfort and roominess (74%), low maintenance costs (71%), favorable product reviews (69%), price or deal offered (67%), attractive exterior styling (66%), versatility of the vehicle (62%), availability of parts and service (59%), favorable experience with the make (54%), and overall exterior size (54%) (pp. 25, 27-33).

17. No one medium is considered most helpful by a majority when choosing a make and model. Magazines were named most often (31%), followed fairly closely by newspapers (23%), television (23%) and other print media (21%). Radio had little impact (pp. 51-53).

18. Three-fourths disposed of an older vehicle when they made their recent purchase, either through a trade-in (53%) or by selling it themselves (22%). Of those who sold a vehicle privately, 72% utilized personal networks (talking to friends, putting out notices, etc.), and 34% placed an ad in their local daily newspaper. Only a few reported using an auto trader (page 45).

19. Most people seem to select their dealer based on the "right car at the right price" principle. Of nine factors rated, price (80%) and desired vehicle in stock (76%) were most frequently considered "extremely" or "very" important in dealer selection. Sales staff quality (62%), dealer reputation (59%) and convenient location (51%) were other factors rated highly by buyers. Consistent with a preference for a dealer with the desired vehicle in stock, seven in ten bought from inventory "because they had what I wanted" and 16% did so "because I didn't want to wait for a special order (pp. 39-44)."

20. Convenient location is a factor when visiting dealers, but is not the primary reason for selecting dealers to visit. While 66% visited "mostly conveniently located dealers", more than one-third (34%) "traveled a wide area" to look at cars or trucks (page 38).

21. Nearly all felt the dealer adequately explained the controls and operations of the vehicle, and said the warranty was adequately explained. Fewer said the dealer contacted them after the sale or introduced the buyer to someone in the service department (pp. 44-45)

22. The vast majority (79%) of all buyers of new vehicles in January 1988 own at least one other car, truck or minivan (pp. 5-6).

23. The average new vehicle buyer drives 15,200 miles annually -- substantially more than the car-driving public as a whole (pp. 6-7).

INTRODUCTION

Competition in the automobile industry has never been stronger. While Detroit automakers race to develop a better quality and range of products, imports continue to romance the public. Over the past few years a new emphasis on year-round price competition has emerged, using incentives, rebates, and other promotions. At the same time, Detroit has given increased attention to dealer and customer service in the marketing arena.

The market for new vehicles in the United States has also changed, with greater numbers of women purchasing new cars, and an increase in the popularity of minivans (the "new" stationwagon) and light trucks (including sport utility vehicles) among the buying public. Amidst all these changes, are consumers also changing the ways in which they shop for and purchase new cars and trucks?

Purpose of the Study

The purpose of this study was threefold. First, it sought to profile the demographic and lifestyle characteristics of new vehicle buyers. A second purpose was to explore the purchasing process -- consumers' motivations, the amount of time spent, the sources of information used, the reasons for selecting a particular vehicle and a specific dealer, and the final decision to buy. Finally, the study sought to define the distinctive role played by newspaper automotive classified advertising for vehicle buyers.

Method of the Study

Eligible respondents were defined as the primary decision makers in the purchase of a car or light truck registered in January, 1988. Because the focus of the study was on consumers who purchased vehicles for personal use, business/fleet purchasers were eliminated from the sample list, as were purchasers of full-size vans and heavy duty trucks.

Names were randomly selected from unrestricted state registration lists provided by R.L. Polk, using an "nth" name procedure. At the time of the survey, the 36 unrestricted states accounted for 76 percent of private-sector new vehicle registrations. Restricted states not included in the survey are: Alaska, Arkansas, Connecticut, Florida, Georgia, Indiana, Hawaii, New Jersey, New Mexico, Oklahoma, Oregon, Pennsylvania, South Dakota, Virginia, and Washington.

Initially, 5,000 questionnaires (with a small incentive) were mailed to sampled new vehicle buyers on March 31, 1988. A follow-up post card was sent within five days of that date. Mailings were evenly divided among registrants in each of ten vehicle segments: subcompact, small specialty, compact, mid-size, full-size, luxury, sport specialty, compact pickup, compact van, and compact sport utility. (A full list of the vehicles included in each classification can be found in Table A.2 of the Appendix to this report.)

All field work, including sample design, was carried out by Maritz Marketing Research, Inc., under the supervision of Michael Brereton. A total of 1,863 usable questionnaires were returned by May 9, 1988, for a response rate of 37%. The responses were weighted to represent national sales figures across the ten market segments for January 1988.[1]

Dorothy Shea of the Bureau's Research Department directed the study and prepared this report, with the collaboration of Albert E. Gollin. The assistance of May Florez is gratefully acknowledged.

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[1] See Appendix Table A.1 for details on mail-out procedures and weights used, and Table A.4 for the unweighted bases of respondents in various demographic groups. Copies of the mail questionnaire are available from NAB on request.

I. Profiles of New Vehicle Buyers

Who is most likely to buy a new car or truck[1]? New vehicle buyers are more likely to be male (60%), and married (67%) as opposed to single (19%) or formerly married (14%). While people of all ages buy new car or truck models, half (50%) of all new vehicles are sold to people in the 25-44 "growing family" age group. This probably accounts for the larger household size of these new vehicle buyers relative to the population as a whole (2.9 vs. 2.2 nationally). The proportion of two-earner households is comparable to the national figure.

In addition, fully two-thirds of all new vehicles were sold to those with at least some college or technical training, and a majority (62%) was bought by those with annual household incomes of $35,000 or more. (See Table 1.)

Compared to the general car-owning public,[2] new vehicle buyers are better educated and have higher incomes. MRI data also show that car owners are almost as likely to be female (48%) as male (52%). In this study, women constituted two-fifths of all vehicle buyers or were involved in the decisions made by a sizeable proportion of their spouses.

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[1] The term "truck", as used in this report, refers to a compact pick-up, a compact van or a compact sport utility vehicle.

[2] See data from Mediamark (MRI), Spring 1987.

Table 1

New Vehicle Buyers: Demographic Profiles

	All Buyers	Domestic Buyers	Import Buyers
SEX			
Male	60%	65%	53%
Female	40	35	47
MARITAL STATUS			
Married	67%	71%	62%
Single	19	16	25
Divorced/Separated/ Widowed	14	13	13
AGE			
Under 25	11%	10%	14%
25-34	29	23	41
35-44	21	22	20
45-54	16	16	14
55-64	11	13	8
65+	12	16	3
EDUCATION			
Not High School Graduate	6%	8%	3%
High School Graduate	28	31	22
Some College/Technical School	27	29	24
College Graduate	17	14	22
Graduate Work/Degree	22	18	29
INCOME			
Less than $25,000	21%	21%	19%
$25-34,999	17	16	19
$35-44,999	18	17	18
$45-59,999	17	21	15
$60-99,999	19	17	22
$100,000 +	8	8	7
NO. PERSONS/HOUSEHOLD (Avg.)	2.9	2.9	2.9
NO. INCOME CONTRIBUTORS/ HOUSEHOLD (Avg.)	1.8	1.7	1.8
YEARS OF RESIDENCE IN CITY/TOWN (Avg.)	17.0	19.5	12.6

Domestic and Import Buyers

As Table 1 shows, *import* purchases were fairly evenly divided between men (53%) and women (47%), while men accounted for the majority (65%) of *domestic* car and truck sales. One explanation for this difference is that women were primarily buying smaller, less expensive vehicles, particularly Japanese makes and models.[1]

Compared to domestic buyers, import buyers are more likely to be younger (75% under age 45 vs. 55% of domestic buyers), single, and well-educated (75% with at least some college vs. 61% for domestic buyers). They also tend to be less settled than domestic buyers, with an average of 12.6 years of residence in their current city or town, compared to 19.5 years for domestic buyers. Of course, this is also a function of their more youthful profile. But import and domestic buyers do *not* differ significantly in terms of household size, total household income, or the number of wage-earners.

Buyers and Primary Drivers

While most of the consumers surveyed said they were both the primary decision-maker[2] in purchasing the new vehicle *and* the person who drives that car or truck the most, one-fifth indicated that someone else (usually the spouse) is the vehicle's principal driver. This finding, though perhaps not surprising, is noteworthy, since much automotive research has traditionally focused on drivers in evaluating the automotive marketplace. Unlike those studies, the current research focuses on the buyer -- the primary decision maker.

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[1] Other variations in the choice of domestic or import vehicles are shown in Appendix Table A.3.

[2] The questionnaire was addressed to the vehicle *registrant*, but included instructions to have the *primary* decision maker complete it (when he/she was not the same person.)

Women, singles, the formerly-marrieds, and first-time new vehicle buyers were all more likely to say they play both roles.

The likelihood that the decision-maker and driver were the same decreased as age increased, up to a point (the 35-44 age group). Thereafter, the likelihood increased with age. This pattern is repeated for income, with the "breakpoint" at $45,000 to $59,000. One possible explanation for these patterns is that it is people in the prime of life, with a more favorable financial situation, who are more likely to be buying new vehicles for others in growing families.

Experienced Buyers

Buyers were asked whether or not this was the first vehicle they had ever purchased, and whether this was the first new vehicle they had ever bought. Three in four (76%) reported that they had purchased at least one other new vehicle in the past, indicating that prime prospects for new vehicles are, by and large, experienced buyers. Another 16% had some buying experience, but only with used cars or trucks. Only 8 percent said they have never purchased any vehicle in the past.

As expected, those without any new vehicle buying experience were younger, less likely to be married, and reported lower household incomes (median of $31,000 vs. $45,000) than previous new car and truck buyers.

Throughout the balance of the report, the 24 percent who had never purchased a new vehicle in the past (bought only a used one, never bought anything before) will be referred to as First-Time buyers, while those who had bought a new vehicle previously will be referred to as Experienced buyers.

Light truck and minivan buyers were asked an additional question about any previous purchases of those types of vehicles. Four in ten such purchases (42%) were made by people who had never owned a compact pick-up, van or sport utility vehicle before, which correlates with industry data showing a recent surge of growth of this automotive market segment.

Cars, Drivers and Mileage

New vehicle buyers were asked how many (if any) other cars and trucks were owned/leased by the household, and how many licensed drivers the household contained. Eight in ten (79%) said they or other members of their households own or lease at least one other car, truck or minivan. Of those, three-fourths said they own/lease one (47%) or two (28%) other vehicles. The majority (60%) own (other) cars only. On average, new car/truck buyers report 2.3 licenced drivers per household.

The percentage of households reporting multiple-vehicle ownership varies substantially by income, with one half of those under $25,000 owning another vehicle, compared to 98% of those earning $100,000 or more. In a similar fashion, households to which two or more people contribute their earnings are much more likely (90% vs. 62%) to own/lease at least two vehicles than are one-income households.

Age is also a factor, and here the pattern of ownership follows the life cycle. While 82% of the youngest respondents (under age 25) reported multiple vehicles in the home, fewer (73%) of the 25-to-34 year olds did so. This is probably a function of living on their own, away from home and access to parents' cars. After age 35, the proportion of multiple-vehicle households hovers in the mid- to high eighties until retirement age, when it drops to 57%.

Finally, multiple-vehicle ownership is inversely related to market size, with 76% of those living in the largest markets ("A counties") owning multiple vehicles, vs. 88% of those in the smallest markets ("D counties"). Multiple-vehicle ownership is not related to education, status as a First-time or Experienced buyer, or purchase of a domestic vs. import car or truck.

New vehicle buyers drive an average of 15,200 miles each year, which is substantially higher than the 9,304 miles reported for all passenger cars in 1987 (Hertz Corporation annual estimate). Men clock slightly more miles than women, averaging 16,100 miles compared to women's 13,700 miles. Those without a high school diploma, with incomes below $25,000, or who are over age 55 tend to drive fewer miles annually than others. Interestingly, singles drive more miles, on average, than their married counterparts.

What They Bought: Cars vs. Trucks

The research reported here focuses on people who purchased a new car, truck or minivan primarily for personal use (transportation, recreation) as opposed to business or work-related use (e.g. full-size trucks). The ten vehicle "platforms" or segments utilized for the study are shown in Chart 1, along with a sampling of the automobiles in each classification. All told, seven car platforms and three "truck" platforms were used. The data from respondents in this study were weighted to represent total private-party (retail) sales for these ten vehicle classes in January, 1988. (See Appendix Table A.1)

As Table 2 shows, cars accounted for 74% of total retail sales in January, 1988. While buyers in all demographic groupings show an overall preference for cars, variations are apparent by sex and market size. While 31% of men bought a compact truck, van or sport utility vehicle, only 17% of women buyers did so. These figures are altered slightly when their marital status is taken into consideration: 24% of all married women bought trucks vs. 11% of single women. The higher rate of light truck purchases among married women is probably due to two factors: the influence of their spouses and the need for a "station wagon" type of car (minivans) for errands, transporting children, etc.

Chart 1

Vehicle Platforms and Sample Makes and Models

SUBCOMPACT:	Ford Escort Dodge Omni Toyota Tercel Honda Civic	FULL SIZE:	Buick Electra Mercury Grand Marquis Olds Ninety-eight
SMALL SPECIALTY:	Chevrolet Camaro Pontiac Fiero Toyota Celica Honda Prelude	LUXURY:	Cadillac Seville Lincoln Mark VII Acura Legend Mercedes 560 SL
COMPACT:	Dodge Aries Pontiac Sunbird Honda Accord Mazda 626	SPORT SPECIALTY:	Chevrolet Corvette Porsche 911 Toyota Supra Mazda RX-7
MID-SIZE:	Chevrolet Celebrity Buick Century Ford Taurus Nissan Maxima	COMPACT PICK-UP:	Jeep Comanche Dodge Dakota Isuzu Pick-up Chevrolet S-10
COMPACT VAN:	Dodge Caravan Ford Aerostar Mitsubishi Wagon Volkswagen Vanagon	COMPACT SPORT UTILITY:	Jeep Cherokee Chevrolet Blazer Isuzu Trooper II Suzuki Samurai

Table 2

Purchasers of Cars and Trucks/Minivans

	Cars	Trucks/ Minivans
TOTAL BUYERS	74%	26%
SEX		
Male	69	31
Female	83	17
MARITAL STATUS		
Married Men	69	31
Married Women	76	24
Single Men	68	32
Single Women	89	11
Divorced/Separated/Widowed	80	20
EDUCATION		
Not High School Graduate	72	28
High School Graduate	72	28
Some College/Technical School	70	30
College Graduate	77	23
Graduate Work/Degree	79	21
AGE		
Under 25	76	24
25-34	71	29
35-44	67	33
45-54	74	26
55-64	78	22
65+	89	11
INCOME		
Less than $25,000	76	24
$25-34,999	69	31
$35-44,999	71	29
$45-59,999	77	23
$60-99,999	77	23
$100,000+	70	30
NEW VEHICLE BUYER STATUS		
First-time Buyer	79	21
Experienced Buyer	73	27
MARKET SIZE		
A Counties	77	23
B Counties	76	24
C Counties	67	33
D Counties	64	36

With respect to market size, the propensity to buy a truck or minivan increases as market size decreases. This in and of itself is not surprising information, and conjures up images of cowboy boots and dusty rural roads. However, it is important to note that interest in or access to the great outdoors, difficult terrain (including snow in the suburbs), and family-related needs are among the prime reasons why someone might choose a truck over a car. Further, compact sport utility vehicles have become very popular among trend-setters.

The median price paid for a new car or truck in January 1988 was $12,721. (See Table 3) As would be expected, the investment in a car increased with age and income. The median price paid by those under age 25 was $10,755, while those in the 55-64 category spent $14,173. (Retirees spent a little less: the median for them was $13,636). With respect to income, those with household incomes of under $25,000 spent an average of $10,641, while new cars bought by the wealthy ($100,000+) averaged $15,811. Men, experienced buyers, and those who bought a domestic vehicle typically spent more than others.

Table 3

Price Paid for New Vehicle Purchased

	Median Price
TOTAL BUYERS	$12,721
SEX	
Male	13,165
Female	11,989
MARITAL STATUS	
Married Men	13,318
Married Women	12,828
Single Men	12,464
Single Women	10,973
Divorced/Separated/Widowed	12,282
AGE	
Under 25	10,755
25-34	11,859
35-44	13,731
45-54	12,741
55-64	14,173
65+	13,636
INCOME	
Less than $25,000	10,641
$25-34,999	12,609
$35-44,999	12,175
$45-59,999	13,211
$60-99,999	13,858
$100,000+	15,811
NEW VEHICLE BUYER STATUS	
First-time Buyer	10,744
Experienced Buyer	13,377
TYPE OF VEHICLE PURCHASED	
Domestic	13,280
Import	11,683

QUESTION: What was the total price of your new vehicle including all options and taxes -- that is, the total price agreed upon by you and your dealer? This total should exclude any trade-in allowance or finance charges.

II. The Purchasing Process

This chapter of the report will analyze the steps taken by the new vehicle buyer, alone or with assistance, to complete his or her purchase.

How Many Buyers Had Help?

New vehicle buyers were asked: "Did you decide to purchase this vehicle on your own, or was someone else involved in the decision?" Those who indicated that they *did* have help were further asked to identify the helper/co-decisionmaker, and what sort of help was provided.

The majority (58%) of all new car and truck buyers said someone else had also been involved in the purchasing process. As Table 4 shows, the likelihood of having help is strongly tied to marital status and sex: married women were the *most* likely to name a helper (77%), followed by married men (64%). Further, about half (52%) of the single women reported getting help, but only one-fifth (21%) of single men buyers did so.

As would be expected, almost all who got help and were married named their spouse. In addition, a few (9%) said their children helped out. However, assistance is rarely obtained from persons outside the immediate family. Assistance from parents, other relatives, or friends was cited by only 2%, 3%, and 2% respectively, of married buyers who involved others in their shopping and buying.

Singles, on the other hand, were most likely to name parents (56%) as a source of assistance, followed by friends (32%) or other relatives (25%). As the sample size for singles obtaining help was very small, however, these results should be viewed cautiously.

New car and truck buyers who said others were involved were asked whether or not their helper(s):

-- Visited dealer showrooms with the buyer;
-- Helped decide which dealer to buy from;
-- Helped decide which make/model to buy;
-- Helped negotiate the final purchase price with the dealer.

Since from a dealer's perspective it might be more useful to know the incidence of these types of help among the car-buying public as a whole, Table 4 shows percentages based on the entire sample rather than on those who acknowledged getting help from someone.

Table 4

Who Had Help Shopping for the New Vehicle?

		----------Help Obtained--------			
	Someone Else Involved	Dealer Visits	Dealer Choice	Vehicle Choice	Price Nego.
TOTAL BUYERS	58%	48%	23%	37%	29%
SEX					
Male	54%	44%	18%	37%	21%
Female	62	54	30	38	41
MARITAL STATUS					
Married Men	64%	52%	21%	45%	24%
Married Women	77	69	37	54	53
Single Men	21	14	8	10	13
Single Women	52	42	26	26	40
Divorced/Separated/ Widowed	34	27	14	12	16
NEW VEHICLE BUYER STATUS					
First-time Buyer	57%	46%	25%	33%	37%
Experienced Buyer	58	49	22	40	27
TYPE OF VEHICLE					
Domestic	59%	48%	22%	37%	28%
Import	54	47	23	37	30

Question: Did you decide to purchase this vehicle on your own, or was someone else involved in the decision?

(IF "SOMEONE ELSE") How did they help you in the decision process?

Overall, half (48%) of eventual new vehicle purchasers can be expected to walk into a showroom accompanied by someone else. Again, the incidence of this type of help varies by sex and marital status: seven in ten (69%) married women are likely to have company when shopping, compared to only 14% of the single men. While it might be expected that First-time buyers would be more likely to seek support than Experienced buyers, in fact, the two groups show equivalent levels in dealer visits.

Fewer indicated that someone else was instrumental in the final decision concerning the make and model (37%), in negotiating price with the dealer (29%), or in deciding which dealer to buy from (23%). The patterns of assistance at these stages of the purchase are similar to those for dealer visits, with two exceptions. First, women, who are perhaps more intimidated by a "hard sell," are much more likely than men (41% vs. 21%) to have help at the price-negotiation stage. More than half (53%) of all married women had help at this final stage. Second, First-time buyers are slightly less likely than Experienced buyers to have help when selecting a make and model but more likely to have someone else involved during price negotiations.

Timing and Motivations for Buying a New Vehicle

Buyers were asked to rate four reasons for buying a new vehicle at the particular time they did. A five-point scale of importance was utilized for these ratings (see Table 5).

Table 5

Reasons for Buying a New Vehicle When They Did

	Extremely/ Very Important	Extremely Important	Very Important	Somewhat Important	Not too/ Not at all Important
Wanted a New Vehicle	57%	27%	30%	23%	20%
Old Vehicle Needed Replacing	50	34	16	16	34
Attracted by a Special Deal	30	14	16	21	49
Needed an Additional Vehicle for Work or Family	27	14	13	7	66

QUESTION: How important were each of the following in your decision to buy a new vehicle at the particular time you did?

While reasons for purchase at that time varied according to an individual's needs, it is interesting that the most important reason was simply that the buyer "wanted a new vehicle (for better options, better performance, just wanted one, etc.)." Nearly six in ten (57%) cited this reason as extremely or very important to their decision. Singles (64%) and those under age 25 (71%) were much more likely than others to cite this reason. First-time buyers (65%) were also more likely than others to find the ownership of a new vehicle especially attractive as an alternative.

Half (50%) noted that an old vehicle needed to be replaced (due to repairs, damage, age, etc.), one-quarter citing it as an extremely important consideration. This reason was more frequently cited by women than men (61% vs. 44%), particularly by single women (69%). Less likely to claim replacement needs as a highly important motive were older buyers (36% of 55-64 year-olds; 23% of those age 65 and older), and those in the smallest markets (37% of all D-county buyers).

A special deal (30%) or the need for an additional vehicle (27%) strongly influenced the timing of the purchase of fewer buyers. A special deal was more likely to motivate First-time buyers than Experienced buyers (35% vs. 28%), and people of more limited means: 38% of those earning under $25,000 said it was highly important, compared to 23% of those making $60,000 or more. Not surprisingly, the need for an additional vehicle (cited by 27%) was more frequently noted by married women (37%), and less frequently mentioned by singles and those age 55 or older.

The Time Frame for Decision-making

It's probably fair to say that no two people go about shopping for a new car or truck in exactly the same way. For some the process may take weeks or even months, while others will purchase in a day or two. In order to establish some norms in the shopping process, new vehicle buyers were asked to estimate (in weeks) the following: "How long before you finally signed a contract to buy your new vehicle did you...

— Start gathering information about
new vehicles?

— Visit your first dealership?

— Decide on the exact make and model
you selected?"

Asking buyers who had bought a vehicle only two-to-three months earlier to work back from a specific event -- contract-signing -- makes it more likely that time periods will be recalled accurately.

Overall, the elapsed-time results show that most people tend to make their decisions in a "rational" order. That is, new vehicle buyers are likely to start gathering information before they visit dealers, and to visit a dealer before settling on the exact car or truck they eventually buy (for example, a black Mazda RX-7 with tape deck and moon roof). The median time that elapsed between the onset of information-gathering and purchase was three weeks, compared to two weeks for the first dealer visit and one week for final vehicle selection.[1] (See Table 6)

The results show that the overall time frame for shopping is fairly tight, with half of all buyers completing the entire purchasing process, from gathering information to buying the car or truck, in 3 weeks or less. In fact, just over one in four buyers (27%) said they started gathering information only one week before purchasing.

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[1] Median time means that half of all buyers spent the indicated amount of time or less, while half spent more time.

Table 6

Time Frame for Shopping and Buying

Time Spent Prior to Final Purchase	Began Gathering Information	Began Visiting Dealers	Final Vehicle Selection
One Week	27%	34%	53%
Two Weeks	14	18	16
Three Weeks	11	12	9
Four Weeks	10	11	5
Five Weeks or More	38	25	17
	100%	100%	100%
MEDIAN TIME	3 Weeks	2 Weeks	1 Week

However, as Table 6 shows, not everyone zipped through these stages so quickly. Fully 38% spent more than five weeks gathering information and one-quarter (25%) spent more than a month visiting dealers. In fact, one-sixth (17%) had the specific car or truck picked out long before they actually signed a contract for it.

Demographic Differences in Shopping Time

The amount of time spent shopping for a new vehicle is related to a number of demographic variables. Table 7 shows the proportion in each group (e.g., those under age 25) who completed each stage of the purchase process by the median amount of time or less.

Table 7

Demographic Differences in Shopping Time: Medians and Percentages Spending Less Than the Median

	Began Gathering Information	Began Visiting Dealers	Final Vehicle Selection
MEDIAN TIME SPENT	3 Weeks	2 Weeks	1 Week
TOTAL BUYERS	52%	53%	53%
MARITAL STATUS			
Married Men	49%	50%	51%
Married Women	48	47	55
Single Men	48	48	52
Single Women	60	64	61
Divorced/Separated/Widowed	62	62	57
EDUCATION			
Not High School Graduate	66%	58%	60%
High School Graduate	55	55	60
Some College/Technical School	55	51	54
College Graduate	48	51	52
Graduate Work/Degree	44	50	46
AGE			
Under 25	59%	58%	59%
25-34	49	51	52
35-44	47	47	48
45-54	49	51	52
55-64	47	53	55
65 +	70	63	65
INCOME			
Less than $25,000	63%	57%	62%
$25-34,999	57	59	56
$35-44,999	48	49	48
$45-59,999	47	49	57
$60-99,999	46	46	48
$100,000 +	44	47	44
NEW VEHICLE BUYER STATUS			
First-time Buyer	54%	50%	53%
Experienced Buyer	51	53	54
TYPE OF VEHICLE			
Domestic	55%	56%	54%
Import	46	47	52

QUESTION: How long before you finally signed a contract to buy your new vehicle did you...start gathering information about cars? Visit your first dealership? Decide on the exact make and model you selected?

As Table 7 shows, single women and the formerly-married appear to be the "fastest" shoppers. Sixty percent of all single women and 62% of the formerly-married completed the entire shopping process in three weeks or less, compared to about one-half of other buyer groups.

In general, shopping time increases with education and income. For example, while two-thirds (66%) of those without a high school diploma (66%) completed the process in three weeks or less, only 44% of those with post-graduate work did so. Similarly, 59% of those under age 25 gathered information for three weeks or less, compared to 47% of those age 55-64. Senior shoppers (65+) typically were swift: 70% finished in three weeks or less.

Narrowing the Search: Choosing Among Alternatives

In the previous section it was noted that about half of all buyers made their final selection of make and model one week prior to purchase. This suggests that most people select from among a set of alternatives. In a majority of cases, this assumption is valid: 64% of all new vehicle buyers said they seriously considered some other 1988 vehicle, and 17% considered a used car or truck as an alternative to the new vehicle they actually bought.

Of the nearly two-thirds (64%) who thought of buying another make and model, 41 percent only considered a car, 10 percent only a truck or minivan, and 13 percent gave some thought to both types. The choice within each of the exclusive alternatives was highly focused: almost all of those who considered only one of these two types of vehicle (cars or trucks) ended up buying within that type. But among those who explored both types, the final decision tilted in favor of buying a car, by 60:40%. This split can be compared with the overall 74:26% ratio of car buyers to truck buyers in the sample, suggesting that the perception of trucks and minivans as a plausible alternative tends to work in their favor when a final decision is made.

Similarly, the 64% who considered a variety of makes and models could choose among domestic or import vehicles. In this case, the search among alternatives was conducted more widely: one-half (32%) gave some consideration to both, 23 percent only to domestic makes, and 9 percent only to imports. Again, almost all of those who considered only one of the two (domestic or import) ended up buying a vehicle within that class. But among the half who did some comparison-shopping among both, just over half (52%) decided in favor of an import. This translates into one-sixth of all new vehicle buyers opting for an import after comparing it with some domestic make and model -- a strong indicator of the capacity of imports to gain market share once they gain a share of the attention of prime prospects.[1]

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[1] The alternatives that buyers in each of the ten vehicle segments considered and bought are shown in Table 22, page 76.

Another important influence on the final choice between a domestic or import model is whether other vehicles of either type are already part of the household. As noted earlier, almost four-fifths (79%) of these new vehicles joined another one (or more) owned by the buyer or some other household member. In homes where only domestic models were owned (58% of all homes owning another car), the final choice split 78:22% in favor of buying a domestic vehicle. But in homes with only import models (comprising 20% of all car-owning homes), the split was 64:36% in favor of an import model. And in homes with both types of cars already present at the time this new vehicle was bought (22% of car-owning homes), the split was 51:49% in favor of an import model. Thus, the current ownership of an import by the household appears to have substantially affected the final buying decision in the direction of buying another import -- first by making it an option when deciding which dealers to visit and then in making the final choice and closing the deal.

But this still leaves more than one in three (36%) who said they didn't seriously consider another 1988 vehicle, either domestic or import. Clearly, their decision was made earlier, and they went about shopping in a more focused way. For example, advertising messages would play a different role for them, one that is not as influential, compared to studying dealer/manufacturer materials, taking test drives, and so on.

With this in mind, who is most likely to have narrowed the choice of make or model early in their information search? Age appears to have some impact: 71% of the 25-34 year-olds seriously considered another new vehicle, while only 51% of the seniors (age 65+) did so. The decreasing likelihood that more than one vehicle was considered is probably due, in part, to an accumulation of favorable or unfavorable experiences by older buyers. Education is also closely related to the search: better-educated buyers were more likely to have considered other model options. (See Table 8)

Those who made the decision on their own were much less likely than those who had help to have seriously considered alternative models (54% vs. 72%). First-time and Experienced buyers were equally likely to have considered more than one model of new car or truck. Not surprisingly, however, the former were more likely to have considered a used vehicle (27% vs. 13%). Finally, as noted earlier, import buyers typically considered other 1988 model options more than domestic vehicle buyers did.

Factors in the Final Selection of a Vehicle

When all is said and done, what matters most in the final selection of a new car, truck or minivan? To help answer this question, new vehicle buyers were asked to evaluate fourteen specific factors, with ratings based on a five-point scale ranging from "extremely important" to "not at all important".

Table 8

Were Any Alternative Vehicles Considered?

	Other 1988 Models	A Used Vehicle
TOTAL BUYERS (% Considered)	64%	17%
SEX		
Male	64%	16%
Female	66	18
AGE		
Under 25	64%	23%
25-34	71	21
35-44	69	17
45-54	60	16
55-64	63	11
65+	51	9
INCOME		
Under $25,000	55%	25%
$25-34,999	71	17
$35-44,999	70	22
$45-59,999	69	13
$60-99,999	69	17
$100,000+	65	9
EDUCATION		
Not High School Graduate	41%	17%
High School Graduate	63	18
Some College/Technical School	64	18
College Graduate	69	16
Graduate Work/Degree	73	16
DECISION STATUS		
Had Help	72%	19%
Solo Decision	54	14
NEW VEHICLE BUYER STATUS		
First-time Buyer	65%	27%
Experienced Buyer	65	13
TYPE OF VEHICLE		
Domestic	61%	16%
Import	70	18

QUESTIONS: When you bought your new vehicle, did you seriously consider buying any other 1988 models of car, truck or mini-van?

Did you consider buying a used vehicle as an alternative to your new vehicle?

As Table 9 shows, buyers tended to rate most factors as being "extremely" or "very important" in their final selection of a vehicle. In fact, eleven of fourteen items were rated that way by at least 50% of the respondents. Topping the list is reliability: 88% said reliability was either "extremely" (54%) or "very" (34%) important in the final decision. Of course, reliability can only be established over time, so it is likely that the buyers were referring to the reputation of the vehicle for being well built, requiring minimal repairs, and so on. It is not surprising, therefore, that manufacturer's reputation comes in second in importance, with 79% saying it was either extremely or very important in their decision.

Also deemed highly important by two-thirds or more were: interior comfort and roominess, low maintenance costs, favorable product reviews, price or deal offered and attractive exterior styling. About six in ten said vehicle versatility and availability of parts and service were highly important to them. And just over half (54%) indicated that a favorable experience with the make and the overall exterior size of the vehicle were extremely or very important.

Fewer indicated that interest rates and credit terms (39%) or rebates and dealer incentives (37%) were highly important in the selection of the vehicle itself. In other words, most people didn't choose one model over another primarily because of financial incentives (unless the two vehicles were head-to-head in meeting the individual's needs). Financial factors are more likely to be reasons for choosing one dealer over another, when both have the desired make and model.

Table 9

Factors in Selection of Make/Model Purchased*

	Extremely/ Very Important	Extremely Important	Not Too/ Not at All Important
Reliability	88%	54%	3%
Manufacturer's reputation	79	44	5
Interior comfort and roominess	74	35	6
Low maintenance costs	71	39	9
Favorable product reviews	69	34	11
Price or deal offered	67	33	14
Attractive exterior styling	66	32	8
Versatility of vehicle	62	27	14
Availability of parts/service	59	26	16
Favorable experience with make	54	29	28
Overall exterior size	54	24	16
Interest rates/credit terms	39	19	39
Rebates/dealer incentives	37	16	41
Recommendation of friend/relative	28	13	52

* Those rating each factor as "very" or "somewhat important" are not shown. (Both sets of ratings can be derived by subtraction.)

QUESTION: How important were each of the following factors in deciding to buy the specific make and model of new vehicle that you did?

Finally, the item which received the lowest relative ratings was recommendation of friends and/or relatives: only 28% claimed it was extremely/ very important. This finding might seem to contradict the earlier finding that a majority (58%) of buyers had help in the decision process (37% even acknowledged getting help in the final choice of a car or truck). However, a likely explanation is that recommendations of friends and relatives can help the buyer establish a framework for making a choice, but individual (or spousal) preferences predominate in the final decision on make or model.

Demographic Differences in Selecting a Make and Model

Most buyers do not differ in the order of their top priorities -- reliability and reputation were the top two for all -- but they differ somewhat in rating other factors (see Table 10). As a group, women tended to rate every item as more important than men did. While women may have responded more definitively to the survey, it may also be the case that women are less confident about making the right choice than men simply as a result of having bought a new vehicle less often. (Women were more likely to be buying a new vehicle for the first time.)

Single women were more likely than the average buyer (78% vs. 67%) to say that the price or deal offered was highly important. This may be, in part, a function of having less disposable income to spend on a new car than most others. Single men, on the other hand, seemed to be more

Table 10

Importance of Nine Factors in Vehicle Selection*
(Percent Rating Each as "Extremely/Very Important")

	Interior Comfort & Roominess	Low Maintenance Costs	Favorable Product Reviews	Price or Deal Offered	Attractive Exterior Styling
TOTAL BUYERS	74%	71%	69%	67%	66%
SEX					
Male	73%	68%	67%	64%	66%
Female	75	75	73	73	69
AGE					
Under 25	66%	63%	65%	70%	73%
25-34	74	77	72	69	64
35-44	76	69	70	68	70
45-54	70	74	73	69	66
55-64	80	64	60	65	62
65+	75	68	69	58	67
EDUCATION					
Not High School Graduate	77%	74%	62%	64%	72%
High School Graduate	75	73	65	66	71
Some College/Technical School	74	72	68	71	67
College Graduate	73	68	74	70	65
Post Graduate Work/ Degree	72	67	73	62	61
INCOME					
Less than $25,000	70%	76%	63%	69%	59%
$25-34,999	78	75	68	71	65
$35-44,999	69	74	73	69	65
$45-59,999	73	67	70	67	67
$60-99,999	75	64	74	63	73
$100,000+	75	55	62	57	72
NEW VEHICLE BUYER STATUS					
First-time Buyer	71%	78%	69%	75%	66%
Experienced Buyer	76	69	69	66	67
TYPE OF VEHICLE					
Domestic	75%	67%	63%	68%	67%
Import	73	77	80	67	68

(Continued)

Table 10 (Continued)

Importance of Nine Factors in Vehicle Selection*
(Percent Rating Each as "Extremely/Very Important")

	Versatility of Vehicle	Availability of Parts & Service	Favorable Experience	Overall Exterior Size
TOTAL BUYERS	62%	59%	54%	54%
SEX				
Male	60%	54%	52%	50%
Female	65	67	56	58
AGE				
Under 25	57%	43%	48%	52%
25-34	62	55	50	47
35-44	63	58	53	58
45-54	63	68	56	52
55-64	57	67	58	59
65+	66	68	62	63
EDUCATION				
Not High School Graduate	62%	66%	51%	60%
High School Graduate	61	60	53	54
Some College/Technical School	68	62	53	51
College Graduate	64	58	57	55
Post Graduate Work/ Degree	54	52	51	52
INCOME				
Less than $25,000	62%	60%	50%	54%
$25-34,999	61	55	49	58
$35-44,999	65	59	58	52
$45-59,999	57	60	55	50
$60-99,999	63	61	56	54
$100,000+	60	48	50	47
NEW VEHICLE BUYER STATUS				
First-time Buyer	64%	57%	48%	55%
Experienced Buyer	61	60	55	54
TYPE OF VEHICLE				
Domestic	62%	61%	52%	56%
Import	61	55	56	50

*Note: Five other factors are not shown: the top two (reliability and manufacturer's reputation) and the bottom three. See Table 9 for the full listing.

concerned with style than other new vehicle buyers, and less concerned with other factors, such as favorable experiences, availability of parts and service, exterior size, and maintenance costs.

It certainly comes as no surprise that age affects the final choice of a vehicle. Needs change as families are founded, grow, and then disperse. As age increases certain other factors gain in importance: favorable experience with the make, availability of parts and service, overall exterior size, and interior comfort and roominess. Concurrently, older buyers are less concerned with price, interest rates and credit terms, and recommendations of friends and relatives. They have more experience to draw on in selecting a new car or truck, and more disposable income. Rebates appear to be a special case: they decrease in importance for buyers until retirement age, when once again they become a fairly highly-rated factor.

As expected, financial factors become relatively less important as buyers' income increases. These include price, interest rates/credit terms and rebates or dealer incentives. Well-to-do consumers rated style as being more important than other new vehicle buyers did.

Those with higher levels of education sought more detailed information than others. Similarly, as education increased, the importance of manufacturer's reputation and favorable product reviews also grew. However, some of the more practical aspects of the vehicle diminished in importance. Availability of parts and service, size, maintenance costs, rebates and even attractiveness seem to have had relatively less importance for the better-educated.

Not surprisingly, First-time new vehicle buyers are cost-conscious. Compared to Experienced buyers, First-timers are more concerned with price, interest rates and credit terms, rebates and dealer incentives, and anticipated maintenance costs. They're also more likely to place greater emphasis on the recommendations of others in their final selection of make and model.

Import buyers seem to be more concerned than domestic buyers with getting the "best" car or truck. These buyers rated reliability, manufacturer's reputation, favorable reviews, recommendations, and maintenance costs all more highly than did domestic buyers. On the other hand, they seemed less worried about availability of parts and service (an often-cited disadvantage of imported vehicles), overall exterior size (imports tend to be smaller than domestics), and rebates or other dealer incentives (offered less often for import cars and trucks).

Are there any differences between buyers who shopped at only one or two dealers and those who shopped around more widely? The former group of buyers were more likely to cite the importance of an earlier favorable experience with the make they chose than were those who shopped around. This suggests that they'd pretty much made up their minds in advance and were shopping for the best price. Conversely, buyers who shopped at fewer dealers were less concerned than others with favorable product reviews.

Dealer Shopping and Final Negotiations

Considering that so many factors are deemed important in the final selection of a new car or truck, one might expect buyers to cruise many dealers' showrooms, anxiously searching for the best buy of Dream Wheels. In reality, two-thirds (66%) visited three or fewer different dealers while shopping. In fact, 24% bought from the first dealer they went to, and an additional 20% shopped at only two dealers. As Table 11 shows, only 21 percent visited five or more dealer agencies.

Demographically speaking, the pattern for dealer shopping is similar to what was noted previously with respect to the duration of the information search. That is, the number of dealers visited increases with education (an average of 3.5 dealers visited by the best-educated vs. 2.4 by the least) and with income (2.8 visits for those earning under $25,000 vs. 3.6 for those with between $60,000 and $100,000), but decreases with age. On average, import buyers visited slightly more dealers (3.3) than domestic buyers (2.9). Finally, men tended to shop around more than women (averaging 3.2 vs. 2.9 visits).

As would be expected, the number of visits made to negotiate a final purchase price was lower than the total number of dealers visited (although shopping the dealers at any time certainly involved reading the sticker prices). Nearly eight in ten made only one (41%) or two (37%) trips for that purpose. (See Table 11)

Table 11

Dealer Visits, Final Price Negotiations, and Test Drives

Number	Total Dealers Visited	Visits to Negotiate Final Price	Test Drives
One	24%	41%	43%
Two	20	37	22
Three	22	15	18
Four	13	5	9
Five	9	1	8*
Six or more	12	1	...
	100%	100%	100%
AVERAGE	3.1	1.8	2.1

QUESTION: How many different dealers did you visit before buying your new vehicle?... How many times did you visit any dealer to negotiate a final purchase price?... How many 1988 vehicles did you actually test drive before you bought?

* Five or more test drives.

Consistent with the finding that most did not shop a large number of dealers, a majority of all new vehicle buyers test-drove only one (43%) or two (22%) different cars and/or trucks. Another 18% reported testing three different vehicles, and a few others (9%) tested four vehicles. Only 8% said they'd test-driven five or even more (up to nine) 1988 vehicles.

These findings suggest that a test drive is usually reserved for vehicles that a potential buyer is actively considering. In the case of those who did not consider a serious alternative, the test drive may be used to confirm the selection they'd already made. In those cases where two or more vehicles appear to meet a buyer's needs, the test-drive can be the "acid test" in the final choice.

Shopping Patterns: Timing and Distance

When buyers were asked to report on which days of the week they usually visited dealerships, most people indicated that they shopped all across the week. Fully one third (35%) claimed to have shopped seven days a week, and another 30% with a preference for weekdays or weekends actually shopped on both. In fact, only one in nine (11%) of all new vehicle buyers said they only shopped on weekends; weekday-only shopping (24%) was twice as common. (See Table 12)

Table 12

When Buyers Shopped Dealers

ALL WEEK	65%
All seven days	35
Mostly weekdays	16
Mostly weekends	14
WEEKDAYS ONLY	24
WEEKENDS ONLY	11
	100%

QUESTION: When shopping for your new vehicle on what days did you usually visit dealerships?

The propensity to shop all week varied substantially by age. While 72% of those under age 35 shopped all week, only about half of the older buyers did so. Much larger proportions of the 55-64 year olds and those aged 65+ said they had shopped only on weekdays. (See Table 13)

Table 13

When Buyers Shopped, by Age

	Age of Buyers					
	Under 25	25-34	35-44	45-54	55-64	65+
ALL WEEK	72%	73%	67%	67%	54%	43%
All seven days	42	41	39	39	24	14
Mostly weekdays	15	17	12	12	16	25
Mostly weekends	15	15	16	16	14	4
WEEKDAYS ONLY	13	17	24	17	37	52
WEEKENDS ONLY	15	10	9	16	9	5
	100%	100%	100%	100%	100%	100%

While age is the demographic variable most clearly tied to differences in shopping patterns, other characteristics show an impact as well. Although men and women generally don't differ, single men (74%) are more likely than others to report all-week shopping. There is also a tendency for all-week shopping to increase with education and income. With respect to income, those with household incomes of between $25,000 and $45,000 are the most active all-week shoppers. In addition, First-time buyers are more likely to be all-week shoppers than those who had bought a new vehicle in the past (71% vs. 63%).

How far are new vehicle buyers willing to go to find their dealer? Two-thirds (66%) said they "mostly visited conveniently located dealers," while the remainder (34%) indicated that they "traveled a wide area to visit dealers". This finding leaves open the question of how a "convenient" location was defined, since perceived convenience is a function of what is available, how competitive a market is, and how far people generally travel for other purposes (commuting, recreation, and so on). In fact, those living in the most- and least-populated communities (A and D counties) were equally likely to say they visited "conveniently located dealers" (62% in each case).

What would encourage someone to travel across a wide area? The best deal? Perhaps a dearth of specialty car dealers close to home? A preference for shopping both during the work week (and thus, theoretically, close to the work location) and to shop close to home on weekends?

In fact, one-third of all new vehicle buyers did travel widely. Among those who did, First-time buyers stand out (41%). Age is also a strong indicator: 42% of those under age 35 shopped around more widely, compared to 25% of those 65 and older. Finally, import buyers are more likely than domestic buyers (41% vs. 31%) to say they shopped widely. This may be a function of the more limited number of import vehicle dealerships in many areas, requiring buyers to travel further.

Factors in Dealer Selection

What reasons do buyers stress as important when selecting one dealer over another? New vehicle buyers rated the importance of nine selection factors on a five-point scale, ranging from "extremely important" to "not at all important." These factors included: convenient location, previous experience with the dealer, quality of the sales staff, recommendations of friends or relatives, the dealer's reputation, price or deal offered, having the desired vehicle in stock, trade-in allowance offered, and the size of the dealer's inventory.

Buyers, naturally, want the "right car at the right price", so it is not surprising that the vast majority said that price or deal offered (80%) and having the desired vehicle in stock (76%) were highly important factors in their selection of a dealer (combining ratings of "extremely" or "very" important). Nothing else came close: Price and availability form a first "tier" of importance. (See Table 14)

A second tier of importance includes such factors as sales staff quality (rated highly by 62%), the dealer's reputation (by 59%), a convenient location (by 51%) and the trade-in offered (by 46%). These factors are likely to be more important when two or more dealers can offer the same vehicle (with comparable options), without a clear price advantage among them. Of course, poor-quality sales staff, or reputation, or an inconvenient location could certainly damage the likelihood of making a sale, but buyers appear willing to put up with some inconvenience to get the best price. On its own, the trade-in allowance is probably less important, since it's only one aspect of the total deal offered to buyers. Even a great trade-in does not necessarily add up to a good deal, in the buyer's mind.

Fewer indicated that the overall size of the dealer's inventory (40%), previous experience with that dealer (34%) or recommendations from friends or relatives (29%) were highly important in selecting their dealer. These items form a third tier of importance, for reasons that are not difficult to interpret. A large inventory is not a benefit to buyers unless it includes the one sought-after vehicle, or increases the likelihood of finding one that's not widely available, or unless it helps an uncertain buyer make comparisons more efficiently. (A large inventory might suggest to buyers that a dealer who does so much business can offer a better price.)

Table 14

Factors in Dealer Selection*

	Extremely/ Very Important	Extremely Important	Not too/ Not at all Important
Price/deal offered	80%	46%	6%
Desired vehicle in stock	76	43	13
Sales staff quality	62	29	16
Dealer's reputation	59	30	19
Convenient location	51	25	23
Trade-in offered	46	26	42
Size of inventory	40	16	36
Previous experience with dealer	34	19	52
Recommendation of friends/relatives	29	14	52

* Proportions answering "very" or "somewhat important" are not shown.

QUESTION: How important were each of the following in choosing the dealership from which you finally bought your vehicle?

Previous experience with the dealer, similarly, would not be rated as important unless that dealer had the car or truck the buyer wants this time around, or gave a good deal last time, etc. Nor would recommendations of friends and relatives carry the same weight as other factors if the buyer had felt he or she could do better elsewhere.

Demographic Differences in Dealer-Selection Factors

The main factors in selecting a dealer vary in importance in ways that are similar to what was seen for vehicle-selection factors. That is, when looked at in relative rank order, men's and women's priorities typically look alike: price and availability are either first or second. However, women as a group tended to rate those and all other items as highly important more often than men did. (See Table 15)

When marital status is taken into account, married women rated location, previous experience, and the dealer's reputation as relatively more important. Single women seemed more impressed by recommendations from friends or relatives, sales staff quality, price, and inventory size. Single men, on the other hand, showed the least concern of any of the groups with all but two of the factors: having the desired vehicle in stock and recommendations from friends and relatives.

Table 15

Six Factors in Dealer Selection* by Demographic Groups (% Rated as "Extremely" or "Very" Important)

	Price/Deal Offered	Desired Vehicle in Stock	Sales Staff Quality	Dealer's Reputation	Convenient Location	Trade-in Allowance Offered
SEX						
Male	78%	73%	56%	54%	48%	44%
Female	83	80	70	65	53	47
MARITAL STATUS						
Married Men	80%	73%	58%	54%	48%	47%
Married Women	82	80	66	67	55	47
Single Men	74	76	45	48	43	33
Single Women	86	81	71	64	49	43
AGE						
Under 25	82%	77%	60%	57%	46%	38%
25-34	80	76	58	56	41	43
35-44	79	73	56	51	53	45
45-54	82	78	62	63	57	45
55-64	80	76	68	64	50	50
65+	79	79	78	76	60	58
INCOME						
Under $25,000	82%	80%	65%	64%	49%	48%
$25-34,999	81	74	62	52	46	56
$35-44,999	79	72	63	62	48	47
$45-59,999	80	80	64	57	54	41
$60-99,999	77	75	50	55	51	36
$100,000 or more	72	67	53	50	43	34
NEW VEHICLE BUYER STATUS						
First-time Buyer	83%	82%	63%	60%	48%	40%
Experienced Buyer	80	74	62	59	51	48
TYPE OF VEHICLE						
Domestic	81%	75%	64%	63%	55%	50%
Import	80	77	58	54	43	39

* Note: Three other factors are not shown; see Table 14 for the full listing.

Priorities clearly change with age and experience. Older buyers rated dealer location, previous experience with the dealer, trade-in offered, sales staff quality, and dealer reputation more highly than did younger buyers. In general, older buyers are simply less interested in shopping around extensively. (Note that this finding with respect to dealer location squares with earlier findings that older buyers were more likely to "shop conveniently located dealers" and to shop more quickly.) Younger buyers, on the other hand, rated recommendations from friends and relatives more highly, probably because of their relative lack of experience. But age made no difference when it came to price and availability: ratings for those variables were consistently high across the board.

As might be expected, those with the largest incomes were somewhat less concerned with price and availability than were other new vehicle buyers, although those factors emerged at the top of the ratings given by the well-to-do. They also tended to be somewhat less concerned with sales staff quality and trade-in values.

The generally greater availability of domestic vehicles, along with their lower prices currently within the same broad category of vehicle, may largely account for the differences between domestic and import buyers in their dealer-selection ratings. Domestic buyers rated dealer location, previous experience with the dealer, the dealer's reputation, staff quality, and trade-in offered more highly than import buyers did. The message seems to be that availability and price weigh more heavily than the dealer in choosing a deal on import vehicles.

Dealer Offerings and Satisfaction with the Dealer

Did they buy from dealers' inventories or did they special-order their vehicles? Consistent with the priority given to availability in selecting a dealer, seven in ten (71%) said they bought their new vehicle from dealer inventory "because they had what I wanted". Another 16% said they bought from inventory to avoid the wait for a special order. Fewer (9%) indicated that they special-ordered their new car or truck "to get the right combination of options" or because "the dealer did not have your model in stock" (6%).

Two-thirds (64%) said the dealer they bought from carried only one manufacturer's line of cars and trucks (such as only Fords or only Toyotas). Not surprisingly, import buyers were more likely than domestic buyers to have bought from a dealer who carried multiple lines (40% vs. 34%). Those dealers also differed in the origin of the vehicles they offered: 42% carried only domestic models, 26% only imports, and 32% carried both domestic and imports.

Now that a dealer was finally selected and the deal consummated, how do buyers evaluate that dealer on the basics? For the most part, dealers got a good report card. Nearly all new vehicle buyers (91%) said their dealer "adequately explained the vehicle features, and the operations of its controls," and almost as many (88%) said he/she "adequately explained the details of warranty coverage." Eighty-five percent noted that extended warranty coverage, where applicable, was also satisfactorily explained.

Fewer (67%) indicated that the dealer contacted them after the sale was completed, although this percentage still reflects good follow-up. As the survey was conducted just a few months after the purchase, it may be that this finding underestimates the proportion of dealers who eventually follow up with their customers. Finally, only 44% said the dealer introduced him/her to someone in the service department.

Whatever Happened to the Old Clunker?

Three-quarters of new vehicle buyers disposed of an older vehicle when they made their most recent purchase. Half (53%) traded in that other car or truck, while 22% said they sold it on their own. For the latter group of entrepreneurs, announcements of availability were primarily made through personal networking: 72% indicated that they "sent out notices, talked to friends, etc." Thirty-four percent placed an ad in their local daily newspaper, and a few (7%) used an auto trader for that purpose. Some used more than one medium.

III. Advertising and the Search for Information

New vehicle buyers, like consumers of other "big ticket" items, utilize a variety of resources to determine what to buy and where to buy it. These resources include spouses, friends and relatives -- 58% involved others when shopping and buying -- the dealer or sales staff, past experiences, test drives, and, of course, the mass media. Compared to tangible experiences -- talking with a friend or kicking the tires -- the influence of the media is more subtle and less obvious to consumers. It often involves selective attention to articles or advertisements about vehicles, in particular about a model they may have had their eyes on.

In order to assess the role played by media advertising, new vehicle buyers were first asked whether or not they had gotten any information from seven different sources. These sources included magazine advertising, newspaper advertising, radio advertising, TV advertising, auto traders, outdoor advertising, and dealers'/manufacturers' printed materials, such as brochures or sales pieces. (See Table 16)

The only source mentioned by a majority of new vehicle buyers (cited by 62%) was dealers'/manufacturers' print materials. Technically, of course, they do not qualify as a mass medium, as they usually become available to consumers only during a visit to the dealer. However, since it can be assumed that practically everyone scans brochures for vehicles they plan to buy at some point, this level of claimed use provides a benchmark for interpreting the relative position of media advertising.

Newspaper ads were the most frequently cited (by 43%) media information source. Somewhat fewer said they obtained any information from magazine ads (37%) or television ads (35%). These three appear to be the primary sources; less than two in ten reported using auto traders (17%), or radio ads (15%), and only one in ten new vehicle buyers got information from outdoor advertising (10%).

Why might these numbers seem to be low? As noted earlier, consumers often aren't aware that they're getting information from advertising; many people might be reluctant to admit it, even if they did. In addition, for many people, "getting information" may imply an active search rather than exposure to information from ads. Finally, it is difficult for some people to remember exactly what they did, once the buying process is over. Thus, these findings probably underestimate the actual value of these media as sources to buyers, although their relative order of value (as the benchmark finding that places dealers' print materials on top attests) seems to be reasonably reliable.

Demographic Differences in Media Use

As expected, the propensity to use a particular ad medium for information about new vehicles varies by demographic characteristics. Table 16 shows differences in usage for dealer brochures, newspaper ads, magazine ads, TV ads, auto traders, radio ads, and outdoor advertising.

These data provide some support for the often-cited hypothesis that men are more print-oriented than women. Although the differences are not large, men reported higher levels of use than women for magazine ads (42% vs. 31%), auto traders (20% vs. 14%) and dealer/manufacturer print materials (65% vs. 58%). The one exception was newspaper ads, which men and women were equally likely to report having used. And it is married women who are less likely to use print ad media (dealer brochures, newspaper ads, and magazine ads) as sources of information. In contrast, single women show the highest rate of newspaper use of all groups.

When age groups are examined in relation to media use, two factors appear to be important. First, there is a tendency for mentions of any specific medium to decrease as age increases (especially among the 65+ group). This makes sense, since older buyers, having accumulated experience and refined their tastes, are less likely to rely on the media. Concurrent with this observation is the finding that the range of media usage by age differs substantially for print and broadcast ad media. For example, while newspaper advertising use remains consistently high until about age 55, then declines slightly, television ad use starts out high (47% among those under age 25), then diminishes rapidly (to 25% among the 65+ group).

The links between education and media use can be summed up simply: education is linked with increased use of print media. As Table 16 shows, those with some college are substantially more likely to report using all three print ad media: dealer brochures, newspapers, and magazines. They were also slightly more likely to report using auto traders than those

Table 16

Who Uses Different Ad Media?

	Dealer Brochures	Newspaper Ads	Magazine Ads	TV Ads	Auto Traders	Radio Ads	Out-Door Ads
TOTAL BUYERS	62%	43%	37%	35%	17%	15%	10%
SEX							
Male	65%	43%	42%	36%	20%	13%	10%
Female	58	43	31	34	14	17	11
MARITAL STATUS							
Married Men	66%	42%	41%	35%	20%	11%	9%
Married Women	56	38	30	33	16	17	14
Single Men	63	45	42	41	20	18	12
Single Women	65	49	36	38	14	19	11
Divorced/Sep/Wid	53	46	34	31	12	19	5
AGE							
Under 25	65%	44%	42%	47%	17%	24%	11%
25-34	61	47	39	37	19	19	13
35-44	64	46	42	32	16	12	9
45-54	68	43	35	34	20	12	11
55-64	60	36	33	33	16	8	8
65+	50	29	27	25	14	5	2
EDUCATION							
Not HS Graduate	48%	29%	19%	23%	17%	8%	11%
HS Graduate	55	38	34	39	15	15	11
Some College/Tech	62	41	34	37	13	16	10
College Graduate	64	50	45	37	21	18	12
Grad Work/Degree	72	49	44	30	23	11	7
INCOME							
Less than $25,000	54%	44%	31%	45%	14%	21%	14%
$25-34,999	53	45	33	29	15	15	6
$35-44,999	66	43	40	34	18	15	7
$45-59,999	62	38	38	38	21	13	15
$60-99,999	67	45	43	31	17	9	12
$100,000+	70	39	41	23	16	10	4
NEW VEHICLE BUYER STATUS							
First-time Buyer	57%	49%	36%	44%	18%	22%	16%
Experienced Buyer	64	41	38	32	17	12	8
TYPE OF VEHICLE							
Domestic	64%	41%	35%	34%	16%	13%	9%
Import	59	46	42	38	20	17	12
DECISION STATUS							
Solo Decision	60%	41%	33%	31%	16%	12%	11%
Had Help	64	44	41	38	19	16	9

with less education. By contrast, mentions of TV, radio, and outdoor advertising appear to be lower than average among those at both ends of the educational attainment ladder, but average or above average for those with a high school diploma or college degree.

The patterns of media use based on income are different from those associated with education or age. Use of dealer brochures increases dramatically with income, while use of newspapers remains fairly constant; magazine ad use is most prevalent among those with mid-level incomes. Similar to the age-usage patterns, however, use of the broadcast ad media declines sharply as income increases.

Which Advertising Media Were Most Helpful?

After new vehicle buyers reported on their use of the seven different ad media as information sources, they were asked which one ad medium was most helpful in making two critical decisions: "which dealers to visit" and "which make and model car or truck to buy." These are the types of questions consumers often have difficulty answering; nearly half of the buyers were unwilling to make a choice among the media. But for the rest, when deciding which dealers to visit, newspaper advertising is clearly the preferred medium. Over half (53%) mentioned newspaper ads, compared to only 21% naming television as most helpful. Only a few named any other medium. (See Table 17)

Newspaper advertising is the preferred medium in choosing among dealers for all demographic groups, although its margin of superiority varies somewhat. For example, while 59% of college graduates selected newspaper ads as most helpful, 48% of those with a high school degree or less education did so. Similarly, single men were somewhat less likely than others to select newspaper ads as most helpful (42%) and more likely to select television, magazines, or other print media. Men and women did not differ, however, as 53% in both groups said newspaper ads were the most helpful of all ad media.

Table 17

Most Helpful Ad Medium

	Dealer Visits	Make/Model Selection
Newspaper Advertising	53%	23%
Television Advertising	21	23
*Other Print Media Advertising	12	21
Magazine Advertising	7	31
Radio Advertising	7	2
	100%	100%
Base (N)	(998)	(1,065)

* Includes dealer brochures, manufacturers' brochures, catalogs and auto traders.

QUESTION: Which one type of advertising was most helpful in deciding...
Which dealers to visit? Which make and model to buy?

The role of the ad media is less well defined for make and model selection than for dealer selection. No single ad medium emerged clearly as the most helpful one. Magazines were cited most often (by 31%), followed closely by newspapers (23%), television (23%), and other print media (21%). The one ad medium that does not appear to have much influence is radio: only 2% said it was the most helpful medium in deciding which make or model to buy.

Men were more likely than women to select magazine ads as most helpful (35% vs. 23%), perhaps because of their greater interest in automotive magazines. Women's choices, on the other hand, were much more evenly distributed: newspapers (25%), magazines (23%), television (25%) and other print materials (24%) all received equal mention as the most helpful ad medium in choosing a make and model.

New vehicle buyers with a college degree were nearly twice as likely to select magazine ads, compared to those with a high school diploma or less education (40% vs. 24%). Similarly, 37% of those with at least $60,000 annual household income chose magazines as most helpful in selecting a make and model, compared to 25% of those with household incomes of less than $35,000.

How Often Did They Read the Classifieds?

When they were actively shopping, the majority (59%) of new vehicle buyers read the automotive classifieds in their local daily newspaper regularly (at least once a week). Nearly one-fifth (17%) reported daily classified reading, and another 26% said they read "several times per week." The remainder (16%) looked at the classifieds once a week. Those who reported reading classified ads less often than that tended to be very infrequent readers. Thirty-four percent said they read the classifieds less than once a month. (See Table 18)

Table 18

Frequency of Classified Ad Reading When Shopping

	Total Buyers
AT LEAST ONCE A WEEK	59%
Everyday	17
Several times per week	26
Once a week	16
LESS THAN ONCE A WEEK	41%
Several times per month	4
Once a month	3
Less often than monthly	34
Base	(1,622)

QUESTION: While you were actively shopping for your new vehicle how frequently did you look at the automotive classified section of the newspaper?

Men are more likely than women to report regular classified reading (63% vs. 54% read at least once a week). Married men are the most frequent readers: 65% said they read the automotive classifieds at least once a week and 21% were daily readers. Other than sex, the only significant demographic difference among shoppers was age-related. While three-fifths (61%) of those under age 55 reported reading the classifieds at least once a week, one half (52%) of age 55+ consumers did so. As older buyers are more likely to have chosen a vehicle in advance, and to rate previous experience with a dealer highly, it is not surprising that they tend to rely on the classifieds a little less than others do.

How Helpful ARE the Classified Ads?

New vehicle buyers rated each of eight aspects of their daily paper's automotive classifieds as being "very helpful", "somewhat helpful" or "not helpful" to them while they were shopping. As Table 19 shows, newspaper classified ads got their highest marks as a tool for convenient comparison-shopping. Two-thirds said the classified ads were "very" or "somewhat" helpful in "comparing the selection of vehicles offered by various dealers." The majority also found the classifieds helpful for making price comparisons (61%), comparing dealer locations (59%), comparing incentives offered by different dealers (56%), and estimating their old car's current trade-in value (56%).

Newspaper classified got slightly lower marks for comparing other specifics, such as options packages (49% rated it as helpful), and availability of specific vehicles and options at different dealers (47% rated it as helpful). These findings reflect an inability to fit all those details into classified ads for more than a few cars/trucks on a routine basis. The lowest ratings were for comparing finance terms offered by dealers (e.g., down payments, monthly payments), for which 40% found newspaper ads "very" or "somewhat" helpful. As these items change quickly and are often considered part of the bargaining process, it's not surprising that classified ads are not rated as highly.

Table 19

Helpfulness of Newspaper Automotive Classified*

	Very/Somewhat Helpful	Very Helpful
Comparing the selection of vehicles offered by various dealers	67%	22%
Comparing prices for the same model offered by various dealers	61	25
Comparing dealer locations	59	23
Comparing incentives (rebates, discounts)	56	19
Estimating current value (trade-in) of vehicles you now own	56	18
Comparing options on specific vehicles offered by various dealers	49	14
Comparing availability of specific vehicles/options at various dealers	47	13
Comparing finance terms (down payments, monthly payments, etc.	40	12

* Proportions answering "not helpful" are not shown.

QUESTION: How helpful did you find the automotive classified ads in your local daily newspaper for...

What Builds Interest in Automotive Classified?

What features of an automotive classified ad are most and least likely to attract readers' attention? To examine this important marketing question, survey respondents were asked to rate ten ad features or copy points in terms of their importance in attracting attention to specific classified ads when they were shopping for a new vehicle. The ratings utilized a five-point scale, with "extremely important" and "not at all important" as its end points.

When interpreting the findings, it is well to remember the difficulty people often have in consciously identifying what it is that draws them to ads in general. New vehicle buyers might be expected to forget how they went about looking for information in ads (now that the buying process is over), or to be selective in such recall (remembering those things that tend to reinforce their buying decision). Moreover, one can expect their priorities in ad noting and reading to have changed somewhat as their information search progressed.

As Table 20 shows, new vehicle buyers want solid information to help them compare the "deals" they're likely to get from different dealers. It should come as no surprise, then, that price information was the most highly rated of all: six in ten (58%) called price information "extremely" or "very" important in attracting their attention to an ad. But price by itself does not make a deal. Consumers also wanted to know about dealer and/or manufacturer's warranties (highly rated by 54%) and the specific makes and models a dealer carried (highly rated by 51%).

Table 20

Key Ad Copy Points

	Percent Rating as Extremely/ Very Important:		
	Total	Men	Women
Price information	58%	55%	67%
Manufacturer/dealer warranties	54	50	60
Specific make/model in ad	51	48	55
Particular options	44	42	48
Rebate/incentive	36	33	39
Monthly payments	33	24	45
Pictures of vehicles	31	28	37
Dealer financing	30	23	41
Specific dealer name/logo	23	20	28
Limited time sale	23	19	29

QUESTION: In attracting your attention to newspaper car or truck ads, how important were the features listed below?

A second tier of factors that build attention to ads is made up of a number of specific features of the potential deal. Financial considerations are predominant here, with about a third saying rebates/incentives (36%), monthly payment information (33%) and dealer financing (30%) are highly important as attention-getters. Another second-tier element is specific options mentioned in the ad (such as a tape deck or options package at no extra charge), which was rated highly by 44%. These aspects of the deal are often negotiated directly with the dealer, which in part explains their lower relative ratings. Pictures of vehicles in ads also fit here, though their reproduction quality and variety might substantially affect prospective buyers' ratings.

The items which received the lowest ratings for attracting reader attention were the dealer's name and logo, and information pertaining to a limited-time sale: each was rated highly by only 23%. That these ad characteristics are "third tier" considerations is not surprising when seen from the buyers' perspective. Initially, selection of a dealer is most heavily influenced by their desire to find one with the "right car at the right price". Once a buyer sees affordable price information for the desired vehicle, the dealer's identity then becomes a salient issue.

Similarly, while a limited-time sale implies that the price will be favorable, only quoted price information will reveal whether the sale is a "good deal" or not, in the prospective buyer's mind. Further, because of repetition, consumers probably view such "limited-time-only" sale claims with a jaundiced eye, unless price information supports the claims. When an ad does offer exceptionally good prices for the "right" vehicle for a limited time only, potential car and truck buyers are more likely to take notice and act quickly.

Demographic Differences in Advertising Appeal

As was true of factors in dealer and vehicle selection, women tended to rate all individual ad elements as being more important in building attention than men did. Again, this may be a function of women's greater uncertainty about the whole buying process, making each piece of information all the more important. The very substantial sex differences with respect to the importance of monthly payments (45% vs. 24%) and dealer financing (41% vs. 23%) information in an ad clearly reflect women's greater financial concerns. As we saw earlier, women generally have less money to spend, and, in fact, spent less than men did for a new vehicle. In a related vein, First-time buyers are much more concerned with financial ad copy points than Experienced buyers are.

With increasing age, education, and income, ratings of the importance of financial ad elements tend to decrease. For example, while 50% of those under age 25 rated monthly payment information highly, only 13% of those aged 55-64 did so. These findings are expected, since age and income (and, to a degree, education) tend to be interrelated.

Two other differences should be noted. First, those who shopped at only one or two dealers were likely to rate the dealer's name and logo more highly than those who shopped four or more dealers (34% vs. 17%). This suggests that some new vehicle buyers shop on the basis of name recognition, though it may also reflect self-reinforcement, (i.e., one dealer carried the vehicle the buyer wanted, so it was that dealer's ad that was most clearly recalled).

Second, while ad ratings given by domestic and import buyers were similar, domestic buyers rated options information (47% vs. 39%) and rebate information (41% vs. 26%) more highly. This may be due to differences in dealers' and manufacturers' policies. Domestic buyers may have become more attuned than import buyers to options and rebate offerings in new vehicle advertising in recent years.

Newspaper Reading and Interest in Automotive Topics

New vehicle buyers show above-average involvement with newspapers. More than seven in ten (72%) have a daily or Sunday newspaper delivered to their home. Nearly six in ten (58%) have a weekday-and-Sunday subscription. Most are frequent readers as well: two-thirds (66%) report reading their local daily paper every day or almost every day, and 74% read at least three of the four most recent Sunday editions.

Even though though they had recently purchased a new car or truck, a sizeable proportion (44%) of all new vehicle buyers said they *still* read or browse the automotive classified ads. Those who do tend to do so with some regularity: 65% read the classified ads at least *once a week*, and 10% still read the classifieds *daily*.

When asked *why* they continue to read, three-fourths (74%) of the current classified ad browsers said they like to "keep current on car values," and 38% said they "just like to read about cars." A minority (14%) did so because they're looking for *another* vehicle to buy, which opens up the possibility of dealer ads that build on recent purchasing experiences in the form of "satisfied customer" testimonials.

Two-thirds (67%) of all new vehicle buyers said the newspaper they usually read carries a *special automotive section* featuring new models at various times during the year. Interest in these sections, when available, is strong: 86% of the buyers reported reading them at some time or another. Fully 35% read the sections whenever they appear and 34% read them at least "occasionally." Another 17% said they read special automotive sections only when they're in the market for a new vehicle.

IV. Ten Market Segments: Sales Information and Buyer Profiles

This chapter will focus on the ten broad market segments included in the study: subcompacts, compacts, small specialty vehicles, midsize and fullsize cars, luxury cars, sport specialty cars, compact pickups, compact vans, and compact sport utility vehicles.[1] Each segment will be profiled in terms of the variety of makes and models included, its market share and median price, and various buyer characteristics. Because the volume of information on each segment is so large, only characteristics that differentiate each from those of the "average" new vehicle buyer will be highlighted. (Detailed data on each buyer segment are shown in Tables 21-29 at the end of this chapter.)

A. Subcompacts

Subcompacts include such models as the Toyota Corolla, Ford Escort, Mazda 323, Nissan Sentra, and the Honda Civic. This segment is the least expensive of the seven car segments. The median price paid for cars in this class was $9,349, compared to $12,721 for all vehicles bought. It is also the largest of the segments studied, accounting for 22.5% of all sales in January 1988.

Over half (55%) of all new subcompacts are purchased by women. This is the only segment for which they are in the majority (women bought 40%

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[1] A complete listing of the specific makes and models included in each segment can be found in Appendix Table A.2.

of all new vehicles). Compared to new vehicle buyers as a whole, subcompact buyers are more likely to be young (76% were under age 45), single (30% vs. 19%), and to have slightly smaller household incomes (48% earned under $35,000, vs. 38% for all buyers).

Nearly half (47%) of all new subcompact buyers had never bought a new vehicle in the past, substantially greater than in any other segment. The lower degree of experience of many subcompact buyers is further reflected in the above-average involvement of spouses, friends, or relatives in both their vehicle and dealer selection.

The number one reason given for purchasing a new subcompact car was the need to replace an older vehicle (rated as "extremely" or "very" important" by 76%), rather than the desire for a new vehicle per se (the prime reason for all other buyer groups). Further, subcompact buyers rated financial considerations in vehicle selection (price, maintenance costs, interest rates/credit terms) as more important than most other buyers, and comfort and style factors (interior comfort and roominess, attractive exterior styling, overall exterior size) as less important. Subcompact buyers also demonstrated greater interest in seeing financial information (price, monthly payments, dealer financing) in newspaper classified ads than did the average new vehicle buyer.

B. Small Specialty Vehicles

Small specialty cars include the Chevrolet Camaro, Toyota Celica, Honda Prelude, Toyota MR2, and Dodge Daytona, to name a few. This segment, with its "sporty" appeal, is much smaller than the subcompact market (with 8.8% of total sales), and is typically more expensive, with a median price of $13,271.

Not surprisingly, sport specialty car buyers are similar to subcompact buyers in many respects. They're predominantly young (76% under 45 years of age), and less likely than the average buyer to be married. Men and women are equally likely to buy this category of specialty car. The main difference between small specialty car buyers and subcompact buyers is income: the former have more of it. More than half (54%) earn at least $45,000 annually.

Compared to new vehicle buyers as a whole, small specialty car buyers tend to be more "active", with above-average participation in exercise/active sports, pleasure driving, trips to the beach or lake, and boating or sailing. They're also more likely to go to the movies on a regular basis, and to prefer Top 40 or Adult Rock music stations.

Small specialty car buyers appear to want a sporty new car that expresses their youthful good taste. Attractive exterior styling was the number one consideration in vehicle selection, rated as highly important by 90%. They were relatively less concerned with versatility, size, comfort, and maintenance costs. These buyers were also more likely than the average buyer to cite automotive magazine advertising as a useful information source.

C. Compacts

Cars classified as compacts include the Chevrolet Cavalier, Buick Skyhawk, Pontiac Sunbird, Honda Accord, and Mazda 626. These are mid-priced cars, with a median price paid of $12,487, and accounted for 16.0% of total January 1988 sales.

The demographic and lifestyle profiles of compact buyers look quite similar to the average profile of all new vehicle buyers, with one exception: education. Almost half (48%) of all compact buyers have at least a college degree (and 27% have graduate credits or a graduate degree), compared to 39% of all new vehicle buyers. In fact, compact buyers' education levels are higher than those in all other buyer segments, except for buyers of luxury cars and compact vans.

When selecting a vehicle to buy, compact buyers are relatively more likely to give strong weight to personal experience and favorable reviews, and less likely to be swayed by a rebate or other dealer incentive. Compact buyers also rated a dealer's name and logo as relatively more important in attracting their attention to a newspaper classified ad.

D. Midsize Cars

The midsize car segment includes such diverse cars as the Pontiac Grand Am, Chevrolet Celebrity, Ford Taurus, Audi 80, Acura Legend, Buick LeSabre and the Alfa Romeo Milano. The diversity of this group results from combining four subsegments of the midsize category into a single group, which accounted for 18% of total January 1988 sales. As a result, a few important subgroup differences have been obscured. The median price paid for a midsize car was $14,266.

As a group, midsize buyers tend to be older than the average new vehicle buyer, although purchasers were fairly evenly distributed by age. The sex ratio is similar (63% male vs. 60% for all buyers), but midsize buyers were slightly more likely to be married and to have higher incomes. They are one of three buyer segments most likely to favor talk and all-news radio formats (the other two are full-size and luxury car buyers). Midsize car buyers appear to be mainstream Americans.

They are more likely than the average buyer to consider dealer rebates or incentives highly important to a good deal, not only for attracting their attention to a classified ad but also in selecting a dealer. Conversely, they were less interested than most in seeing monthly payment information in an ad. Midsize buyers were also less concerned than others with their new car's versatility as a factor in their buying decision.

E. Fullsize Cars

The big cars of the automotive market include the Buick Electra, Mercury Grand Marquis, Chrysler Fifth Avenue, and the Olds Ninety-eight. The fullsize segment has declined dramatically over the past decade, and now accounts for only 4.4% of total sales. However, the price tag is still big, with a median of $17,382.

The fullsize car is much more likely than any other car to be an older man's choice. Male purchasers outnumber females by a nearly three-to-one margin (73% vs. 27%), and three-fourths of all fullsize buyers are over age 55 (46% are past retirement age). Fullsize car buyers generally have less education (though a professional element of 20% reported graduate work), but their income is not markedly greater than the average car buyer.

Consistent with their demographic profile, fullsize buyers are more likely than others to enjoy hunting or fishing, boating or sailing, pleasure drives, gardening, hobbies and card games. They're less likely to be found at the movies or reading a book. Their radio preferences run to country-western (46%), classical (29%), all news (29%) and talk (24%) formats.

Fullsize buyers want a lot from their car. Interior comfort and roominess was their number one criterion, but they also gave above-average consideration to attractive styling, size, availability of parts and service, and past experience when choosing their new car. By contrast, interest rates/credit terms, and recommendations from others were less important to them. They are much less likely to have bought because they needed to replace or add a vehicle. Perhaps because of their age, experience with car buying, and well-developed preferences, fullsize car buyers reported below-average use of any advertising medium as an information source.

F. Luxury Cars

This top-line segment includes the Lincoln Town Car, Volvo 760, Jaguar XJ-6, BMW 5 series, and many Cadillac and Mercedes-Benz models. These cars accounted for only 3.8% of total January 1988 sales, but had the highest median price paid: $23,760.

Compared to the average car buyer, luxury buyers are predominantly male (although women bought 32% of all luxury cars), married (only 9% were single), and well educated (47% have at least a college degree). They also tend to be older: 80% are at least 45 years old, and 31% are age 65 or older. And, of course, luxury buyers have more money, fully two-thirds (66%) reporting incomes of $60,000 or more.

As expected, luxury car buyers rate interior roominess and comfort, styling, size, and past experience as more important in their choice of make and model than did the average buyer. The only reason for buying when they did that was rated highly important by a majority was their desire for a new vehicle. That money is less of an issue for these car buyers can be seen in their relative lack of interest in price, interest rates, and rebates/incentives as factors in advertising appeal.

G. Sport Specialty Vehicles

Sport Specialty vehicles are an exclusive group of high performance ("hot") cars: the Mazda RX-7, Porsche 911 and 944, Toyota Supra, Nissan 300ZX, and the Chevrolet Corvette. This group of vehicles comprises a very small segment (.8%) of the total market, but has a median price comparable to that of the luxury segment ($23,018).

The main differences between the sport specialty and luxury car buyers are that the former are younger (76% under age 45) and less likely to be married (31% single). Similar to the luxury buyer, the sport specialty buyer is usually male, well educated, and with a substantial yearly income: 79% earn $45,000 or more.

Unlike the luxury car buyer, however, the sport specialty buyer seems to have a stronger interest in active sports, pleasure driving, spectator sports, trips to the beach or lake, boating or sailing, movies, plays or concerts and eating out. The youthful interests of the sport specialty buyer are also reflected in a preference for Top 40 and Adult Rock radio stations.

For virtually all (95%), attractive styling was crucial in selecting their make and model, making it the number one criterion among sport specialty buyers. (Ratings for reliability and manufacturer's reputation were on a par with the average buyer.) This buyer segment, understandably, gave much lower ratings to interior comfort and roominess, maintenance costs, price or deal, versatility, size, interest rates, and rebates/incentives. As was true of luxury car buyers, they did not purchase their new car to replace or add a vehicle. The hot car's intrinsic appeal was the prime reason for buying it when they did.

Magazine advertising was important for sport specialty buyers: 61% (vs. 31% of average buyers) said magazine ads were the most helpful of all in their choice of a car. But newspaper classified ads were rated as most helpful in their choice of a dealer twice as often as were magazine ads.

H. Compact Pickup Trucks

Compact pickups include the Dodge Dakota, Chevrolet S10, Jeep Comanche, Ford Ranger, and Isuzu Pickup, as well as pickups by Toyota, Nissan, Mitsubishi and Mazda. This growing segment of the automotive market accounted for 12.7% of total sales in January 1988. The median price paid was $10,562, second only to subcompacts at the low end.

Men were four times more likely than women to buy a compact pickup. These buyers are a young group -- two-thirds (66%) are less than 45 years of age -- with below average education (only 21% have a college degree), or income (53% make less than $35,000 yearly). However, they are also an active group, with above-average participation in pleasure driving, beach trips, hunting or fishing, camping/hiking, and card games. Their top radio stations are Country-western (54%) and Adult Rock (40%).

Compact pickup buyers are more likely to say they're adding a vehicle and less likely to be replacing an older car or truck. Financial concerns were evident in selecting a make and model but not in choosing a dealer or in rating newspaper classified ad features. Compact pickup buyers were likely to cite television ads relatively more often as a source of information.

But they cited newspaper advertising as most helpful in deciding which dealers to visit almost twice as often as TV (49% vs. 27%).

I. Compact Vans

These rising stars of the 'eighties include the Plymouth Voyager, Chevrolet Aerostar, Dodge Caravan, and the Volkswagen Vanagon. Compact vans accounted for 5.8% of total sales in January 1988, and had a median price of $15,971.

Nearly all (91%) compact van purchasers are married and most (70%) are concentrated in the 25-44 age group. The need for a wagon type of vehicle is suggested by their larger household size (3.8 compared to 2.9 for all buyers). They show high educational attainments (75% with at least some college, 30% with advanced work or degrees). Two-thirds (67%) earn between $35,000 and $100,000 annually.

Not surprisingly, compact van buyers put a higher value on comfort/roominess, versatility, and size and a lower value on attractive styling when making their purchase. They're not as concerned as others with the financial aspects of the purchase. Their motto seems to be: "Buy the one that does the job best." Compact van buyers also placed less emphasis on any specific factor in choosing a dealer, in part as a function of the more limited sales outlets for such vehicles and its relative newness as a segment.

Compact van purchasers were less likely than the average buyer to rate newspaper classified advertising highly, though their use of newspapers was on a par with others. They tended to use television and radio ads less than others, however. Magazine ads, brochures, and auto traders were considered the most helpful media in selecting their van, but newspaper ads were chosen as most helpful in choosing a dealer more than three times as often as any other ad medium.

J. Compact Sport Utility Vehicles

Jeep Cherokee, the Bronco II, the Chevrolet Blazer, the Suzuki Samurai, the Range Rover and the Toyota Land Cruiser are all classified as compact sport utility vehicles. This is another growth segment, which accounted for 7.2% of total January 1988 sales. The median price was $15,728.

The sport utility vehicle buyer is similar to the average new vehicle buyer in most respects. Two-thirds are male and married, and their income and education show fairly even distributions. However, these buyers are more likely than others to fall into the 35-44 age group, and fully 64% are between 25 and 44 years of age.

Similar to the other specialty vehicle buyers, compact sport utility buyers demonstrate above-average interest in active, outdoor pursuits (exercise, driving, water sports, camping). They are similar to compact van buyers in their greater involvement with the home (odd jobs/painting) and with gardening. Like other youthful car-buying groups, compact sport utility buyers tend to prefer rock or Top 40 radio stations.

Compact sport utility buyers sought a reliable, versatile vehicle. They were less concerned than others with almost every other aspect of the purchase decision (e.g., financial incentives/costs, the manufacturer's reputation, availability of parts and service, recommendations, sales staff, trade-ins, and warranties). They were also less likely than most to have bought for the purpose of replacing a vehicle or adding one to the family collection.

While their overall use of advertising media is similar to that of others, compact sport utility buyers are more likely to have relied on television ads for information on makes and models. But they cited newspaper ads four times more often than TV (57% vs. 14%) as the most helpful medium in choosing a dealer.

Table 21

New Vehicle Buyer Segments: Demographic Profiles

	Total Buyers	Sub-compact	Small Specialty	Compact	Mid-Size	Full-Size	Luxury	Sport Specialty	Compact Pick-Up	Compact Van	Compact Sport Utility
SEX											
Male	60%	45%	51%	57%	63%	73%	68%	72%	80%	67%	67%
Female	40	55	49	43	37	27	32	28	20	33	33
MARITAL STATUS											
Married	67%	54%	52%	69%	75%	84%	78%	56%	70%	91%	67%
Single	19	30	31	16	14	2	9	31	19	2	22
Divorced/Sep./Widowed	14	16	17	15	11	14	13	13	11	7	11
AGE											
Under 25	11%	18%	22%	10%	6%	0%	0%	10%	15%	1%	10%
25-34	29	45	28	28	19	5	5	28	32	29	33
35-44	21	13	26	22	22	7	15	38	19	41	31
45-54	16	17	15	14	14	13	26	16	16	16	14
55-64	11	4	6	12	18	29	23	5	12	8	9
65+	12	3	3	14	21	46	31	3	6	5	3
EDUCATION											
Not High School Graduate	6%	5%	3%	5%	6%	12%	10%	2%	7%	5%	6%
High School Graduate	28	27	24	24	27	38	23	16	38	20	24
Some College/Tech School	27	27	31	23	28	23	20	25	34	27	30
College Graduate	17	20	16	21	16	7	18	23	10	18	22
Graduate Work/Degree	22	21	26	27	23	20	29	34	11	30	18
INCOME											
Less than $25,000	21%	35%	15%	16%	16%	18%	4%	5%	28%	10%	11%
$25-34,999	17	13	16	22	16	21	7	8	25	13	18
$35-44,999	18	18	15	17	18	17	9	8	20	21	17
$45-59,999	17	16	22	17	25	15	14	17	8	25	22
$60-99,999	19	16	25	22	17	20	31	33	13	21	20
$100,000+	8	2	7	6	8	9	35	29	6	10	12

Table 22

New Vehicle Buyer Segments: Elements of the Purchasing Process

	Total Buyers	Subcompact	Small Specialty	Compact	Mid-Size	Full-Size	Luxury	Sport Specialty	Compact Pick-Up	Compact Van	Compact Sport Utility
CONSIDERED ANOTHER 1988 MODEL VEHICLE	64%	68%	67%	71%	66%	50%	48%	36%	58%	64%	62%
Car Only	64	78	88	86	80	91	88	89	1	4	10
Truck/Minivan Only	16	2	2	—	1	2	—	1	74	64	45
Both Car & Truck/Minivan	20	20	10	14	19	7	12	10	25	32	45
CONSIDERED											
Domestic Only	36%	14%	29%	27%	57%	86%	51%	7%	39%	56%	35%
Import Only	15	26	15	15	9	—	13	37	10	5	7
Both	49	60	56	58	34	14	36	56	51	39	58
CONSIDERED USED MODEL	17%	26%	15%	14%	11%	7%	5%	12%	21%	14%	15%
BOUGHT											
Domestic	64%	35%	62%	45%	91%	100%	79%	21%	65%	99%	70%
Import	36	65	38	55	9	—	21	79	35	1	30
OWN OTHER VEHICLES	79%	74%	81%	77%	75%	75%	80%	81%	85%	91%	89%
Domestic Only	57	49	49	54	68	86	66	42	60	61	49
Import Only	21	25	24	21	15	2	14	23	22	22	23
Both	22	26	27	25	17	12	20	35	18	17	28
DECISION STATUS											
Had Help	58%	57%	45%	64%	64%	61%	56%	34%	45%	72%	55%
Solo Decision	42	43	55	36	36	39	44	66	55	28	45
NEW VEHICLE BUYER STATUS											
First-time Buyer	24%	47%	31%	19%	13%	4%	2%	12%	25%	8%	19%
Experienced Buyer	76	53	69	81	87	96	98	88	75	92	81

Table 23

New Vehicle Buyer Segments: Leisure-Time Activities

	Total Buyers	Sub-compact	Small Specialty	Compact	Mid-Size	Full-Size	Luxury	Sport Specialty	Compact Pick-Up	Compact Van	Compact Sport Utility
SPORTS & RECREATION											
Exercise/jog/bowl active sports	57%	57%	66%	60%	53%	50%	59%	76%	44%	54%	68%
Drive for pleasure	54	50	67	51	49	63	53	70	62	48	60
Attend sporting event	31	29	35	32	26	30	31	42	35	37	34
Go to beach or lake	29	26	44	24	23	27	21	40	37	25	40
Fishing/hunting	21	14	21	14	21	30	16	19	37	25	28
Boating/sailing	14	10	23	10	12	23	15	21	16	14	23
Camping or hiking	13	12	17	9	11	11	5	11	21	16	16
ARTS & ENTERTAINMENT											
Go to a movie	45%	53%	58%	44%	38%	22%	31%	59%	47%	32%	45%
Attend plays/concerts	18	23	20	20	17	16	24	25	6	14	12
Play a musical instrument	9	11	14	7	11	7	7	9	5	6	7
Go to a museum	6	6	7	7	4	6	9	10	5	7	7
PERSONAL/HOME											
Do odd jobs home/yard	78%	71%	74%	77%	82%	84%	78%	73%	80%	89%	85%
Shop/browse in stores	76	78	80	79	79	73	66	71	68	74	74
Read a book	56	63	57	55	59	49	55	56	39	58	59
Work on a hobby	47	44	49	48	42	45	40	42	52	51	53
Garden	33	24	28	34	37	52	41	31	30	40	40
Cook special/gourmet meals	28	28	32	32	24	24	24	32	24	29	31
SOCIAL											
Eat out	90%	85%	93%	92%	91%	92%	94%	96%	87%	91%	92%
Visit friends/relatives	84	83	89	85	83	85	82	76	84	86	82
Entertain at home	56	53	53	60	55	64	62	53	49	63	59
Attend a meeting	45	42	47	44	52	48	60	47	30	59	42
Play card games	26	17	29	28	29	35	25	18	34	28	23
Base (N)	(1,827)	(156)	(168)	(199)	(233)	(214)	(183)	(159)	(148)	(208)	(159)

Table 24

New Vehicle Buyer Segments: Importance of Four Factors in Deciding When to Buy
(Ratings of "Extremely" or "Very" Important)

	Total Buyers	Subcompact	Small Specialty	Compact	Mid-Size	Full-Size	Luxury	Sport Specialty	Compact Pick-Up	Compact Van	Compact Sport Utility
Wanted a new vehicle (for better options, better performance, just wanted one, etc.)	57%	54%	65%	56%	51%	59%	63%	77%	63%	51%	61%
Old vehicle needed replacing (due to repairs, damage, age, etc.)	50	76	49	51	43	23	20	27	40	39	40
Attracted by a special deal (such as low cost, financing, rebates, incentives, etc.)	30	38	27	25	31	28	16	21	33	21	23
Needed an additional vehicle for work or family	27	35	25	26	19	10	9	7	35	31	22

Question: How important were each of the following in your decision to buy a new vehicle at the particular time you did?

Table 25

New Vehicle Buyer Segments: Importance of Fourteen Factors in Choice of Make and Model
(Ratings of "Extremely" or "Very" Important)

	Total Buyers	Subcompact	Small Specialty	Compact	Mid-Size	Full-Size	Luxury	Sport Specialty	Compact Pick-Up	Compact Van	Compact Sport Utility
Reliability	88%	91%	85%	93%	85%	90%	92%	83%	83%	85%	85%
Manufacturer's reputation	78	84	76	85	76	76	84	80	74	70	67
Interior comfort and roominess	74	65	62	77	84	94	89	59	65	92	73
Low maintenance costs	71	82	64	76	64	68	49	48	76	66	59
Favorable product reviews	69	75	70	76	67	62	64	72	61	72	58
Price or deal offered	68	74	64	63	71	71	59	48	69	66	59
Attractive exterior styling	67	55	90	66	72	79	84	95	60	57	65
Versatility of vehicle	62	62	45	58	53	58	57	29	69	88	80
Availability of parts and service	59	61	55	64	60	69	63	55	56	52	48
Overall exterior size	54	45	45	57	59	81	70	31	48	65	57
Favorable experience with make	53	50	60	64	51	67	66	56	48	46	42
Interest rates/ credit terms	39	51	38	38	35	18	14	27	44	35	37
Rebates/dealer incentives	37	40	34	29	44	31	14	10	46	26	36
Recommendation of friend/relative	28	41	23	33	23	15	18	23	20	30	17

Question: How important were the following factors in deciding to buy the specific make and model of new vehicle that you did?

Table 26

New Vehicle Buyer Segments: Importance of Nine Factors in Choosing a Dealer
(Ratings of "Extremely" or "Very" Important)

	Total Buyers	Sub-compact	Small Specialty	Compact	Mid-Size	Full-Size	Luxury	Sport Specialty	Compact Pick-Up	Compact Van	Compact Sport Utility
Price or deal offered	81%	82%	78%	82%	83%	82%	77%	72%	80%	81%	75%
Desired vehicle in stock	76	77	74	77	78	71	69	69	78	69	76
Quality of sales staff	62	65	59	62	64	72	69	56	64	52	45
Dealer's reputation	59	60	53	65	67	72	68	49	57	52	36
Convenient dealer location	50	46	47	56	52	57	50	41	53	46	48
Trade-in allowance offered	46	44	40	47	51	56	46	36	48	48	36
Size of dealer's inventory	40	40	41	34	44	40	42	35	40	44	39
Previous experience with dealer	35	26	34	45	36	52	46	28	33	30	30
Recommendation of friends/relatives	29	39	27	30	26	23	24	23	24	14	29

Question: How important were each of the following in choosing the dealership from which you finally bought your new vehicle?

Table 27

New Vehicle Buyer Segments: Information Sources for Shopping
(Percent Who Used)

	Total Buyers	Subcompact	Small Specialty	Compact	Mid-Size	Full-Size	Luxury	Sport Specialty	Compact Pick-Up	Compact Van	Compact Sport Utility
Dealer's/manufacturers' printed materials	62%	57%	69%	57%	66%	56%	68%	69%	62%	69%	64%
Newspaper advertising	43	46	41	43	43	32	19	27	47	42	44
Magazine advertising	37	37	46	38	37	21	28	51	34	42	43
TV advertising	35	37	35	34	37	20	24	25	44	26	34
Auto trader/free car publications	17	19	18	15	19	13	12	24	19	17	16
Radio advertising	15	20	14	11	16	5	4	12	17	8	13
Outdoor advertising (billboards)	10	15	9	8	7	6	4	4	14	4	13

Question: When you were shopping for your new vehicle, did you get any information from...

Table 28

New Vehicle Buyer Segments: Ratings of Newspaper Automotive Classifieds
(Rated as "Very" or "Somewhat" Helpful)

	Total Buyers	Subcompact	Small Specialty	Compact	Mid-Size	Full-Size	Luxury	Sport Specialty	Compact Pick-Up	Compact Van	Compact Sport Utility
Comparing the selection of vehicles offered by various dealers	67%	71%	66%	72%	68%	54%	47%	55%	73%	58%	60%
Comparing prices for the same model offered by various dealers	61	61	63	59	65	55	45	48	67	52	60
Comparing dealer locations	59	59	61	65	61	54	46	55	64	53	56
Estimating current value (trade-in) of vehicles you now own	56	[illegible]	58	63	54	50	50	59	55	56	56
Comparing incentives (rebates, discounts, etc.)	56	58	53	52	67	45	28	42	68	43	52
Comparing options on specific vehicles offered by various dealers	49	48	44	57	52	48	34	37	55	36	48
Comparing availability of specific vehicles/options at various dealers	47	40	46	54	50	50	36	35	57	39	46
Comparing finance terms (down payments, monthly payments, etc.)	40	48	36	38	39	23	20	33	49	34	40

Table 29

New Vehicle Buyer Segments: Attention-Getting Features of Newspaper Ads
(Ratings of "Extremely" or "Very" Important)

	Total Buyers	Sub-compact	Small Specialty	Compact	Mid-Size	Full-Size	Luxury	Sport Specialty	Compact Pick-Up	Compact Van	Compact Sport Utility
Price information	58%	68%	58%	59%	54%	40%	42%	44%	61%	58%	52%
Manufacturer/dealer warranties	54	53	49	59	53	48	50	41	66	51	44
Specific make and model in ad	50	52	56	55	49	34	37	49	53	50	43
Particular options	44	37	49	44	47	42	41	37	51	46	42
Rebate or incentive information	35	39	33	32	42	29	19	23	41	28	29
Monthly payment information	32	45	30	30	25	10	15	19	45	24	25
Pictures of cars or trucks	31	26	40	31	29	26	27	32	42	24	27
Dealer financing information	30	40	29	29	25	15	14	20	41	22	21
Limited-time sale	23	20	22	25	21	20	15	16	32	21	22
Specific dealer name and logo	23	25	19	34	20	25	25	19	22	16	14

Question: In attracting your attention to a newspaper car or truck ad, how important were the features listed below?

V. New Vehicle Buyers' Study: Marketing Implications

Here are some key marketing implications flowing from our analysis of new vehicle buyers:

1. Women are the primary decision-makers for 40% of all new vehicle sales, and are involved in a great many more. While manufacturers and dealers are fully aware of the growing impact of women in the automotive marketplace, this study provided no evidence of a need to develop separate advertising campaigns for men and women, particularly at the dealer level. Men and women generally have the same order of priorities in selecting new vehicles and dealers. Women's greater concerns about financial issues appear to be realistically related to the more limited amounts of money they have to spend.

2. The brief shopping period during which most new vehicle buyers are active, and the strong tendency toward all-week shopping and reliance on the daily newspaper during the shopping period indicate that continuity of advertising in newspapers is essential. Flighting of ads will miss buyers entirely during hiatus periods, and will gain little additional reach. Individual dealers and dealer associations can make better use of the daily newspaper's ability to reach the vast majority of buyers of all types of vehicles through detailed, collaborative study of prospects in individual markets.

3. New vehicle buyers most frequently turn to newspapers when they are seeking information about which dealers to visit, and a substantial minority (35%) of all buyers are willing to travel across a wide area to find the best deal on a new car or truck. To compete for these buyers, dealers would be well-advised to advertise to the entire market, and not limit their campaigns to more narrowly-targeted geographic areas or zones.

4. New vehicle buyers seek specific types of information in newspaper classified advertising. Price, warranties, and the particular models a dealer has in stock are minimum requirements for an attention-getting ad. Financial information (such as monthly payments and financing) will increase attention to ads among buyers of cars in the lower price classification or in segments where competition is strong. Information about available options are particularly attractive to small specialty and sport specialty car buyers. Any limited-time "sale" claims should be supported by solid price information.

5. Layouts should be clean and focus the potential buyer's attention on information needed to evaluate a dealer or type of vehicle. While pictures of cars were rated as less attention-getting than "deal" information (price, warranty, and so on), many people may not evaluate pictures (when questioned) as highly as they would if confronted with specific classified ads with and without pictures. In any case, poorly-rendered visual images of cars or trucks leave too much to the imagination, and are not likely to build an ad's (or the dealer's) credibility in the minds of prospective buyers.

6. Opportunities to advertise in special automotive sections should be utilized whenever possible, as the vast majority of new vehicle buyers read them with some regularity.

7. Interest in new vehicles persists even after a purchase: 44% of recent buyers still read or browse the automotive classified ads in their local daily newspaper. A few are already planning to make another purchase. Thus, automotive classified advertising in newspapers builds dealer recognition and brand image among potential new vehicle buyers and reinforces them among those who have just bought a vehicle or who may do so soon again.

APPENDIX

Table A.1

January 1988 Sales and Sample Weighting

	January '88 Sales/Regist. (Restricted States)		January '88 Sales/Regist. (Non-restricted States)		Total January 1988 Sales/Regist.		Question-naires Sent	Returns	Weight-ing Used
	No.	%	No.	%	No.	%	No.	No.	
Subcompact	28,382	22.29	90,253	22.54	118,635	22.50	500	159	746.13
Small Specialty	11,097	8.71	35,270	8.81	46,367	8.79	500	171	271.15
Compact	21,353	16.77	63,106	15.76	84,459	16.01	500	202	418.11
Mid-size	23,094	18.14	71,843	17.94	94,937	17.99	500	234	405.71
Full Size	5,118	4.02	18,166	4.54	23,284	4.41	500	221	105.36
Luxury	4,485	3.52	15,799	3.95	20,284	3.84	500	188	107.89
Sport Specialty	824	0.65	3,151	0.79	3,975	0.75	500	161	24.69
Compact Pickup	14,762	11.59	52,319	13.07	67,081	12.71	500	150	447.21
Compact Van	8,161	6.41	22,627	5.65	30,788	5.83	500	215	143.20
Compact Sport Utility	10,057	7.90	27,828	6.95	37,885	7.17	500	162	233.86
Totals	127,333	100%	400,362	100%	527,695	100%	5,000	1,863	

Table A.2

Vehicle Classifications

SUBCOMPACT	SMALL SPECIALTY	COMPACT	MID-SIZE
Ford Escort	Chevrolet Beretta	Dodge Aries	Plymouth Caravelle
Ford Escort GT	Chevrolet Camaro	Chevrolet Cavalier	Chevrolet Celebrity
Plymouth Horizon	Dodge Daytona	Chevrolet Corsica	Buick Century
Chevrolet Nova	Ford Escort EXP	Eagle	Olds. Cutlass Calais
Dodge Omni	Pontiac Fiero	Oldsmobile Firenza	Olds. Cutlass Ciera
Daihatsu Charade	Pontiac Firebird	Plymouth Reliant	Dodge 600
Honda Civic STD/Hatch	Ford Mustang	Dodge Shadow	Pontiac Grand Am
Dodge Colt	Toyota Celica	Buick Skyhawk	Dodge Lancer
Plymouth Colt	Mitsubishi Cordia	Pontiac Sunbird	Chrysler LeBaron 4-Dr/Wagon
Toyota Corolla	Toyota Corolla SR-5/GT-S	Plymouth Sundance	LeBaron GTS
Hyundai Excel	Honda CRX	Ford Tempo	Pontiac 6000 STE
Ford Festiva	Isuzu Impulse	Mercury Topaz	Pontiac Bonneville
Volkswagen Fox	Mazda MX-6	Honda Accord	Cadillac Cimarron
Volkswagen Golf	Nissan 200SX	Toyota Camry	Olds. Delta 88 Royale
Isuzu I-Mark	Honda Prelude	Acura Integra	Dodge Dynasty
Subaru Justy	Nissan Pulsar NX	Volkswagen Jetta	Buick LeSabre
Pontiac LeMans	Volkswagen Scirocco	Mazda 626	Chrysler New Yorker
Mazda 232	Subaru XT	Eagle Medallion	Chrysler New Yorker Turbo
Mitsubishi Mirage	Toyota MR2	Nissan Stanza Sedan	Mercury Sable
Mitsubishi Precis	Volkswagen Cabriolet	Subaru Sedan	Ford Taurus
Nissan Sentra	Volkswagen GTi		Audi 80
Chevrolet Spectrum			Audi 90
Chevrolet Sprint			BMW 3-Series
Subaru Hatchback			Toyota Cressida
Toyota Tercel			Mitsubishi Galant Sigma
Mercury Tracer			Acura Legend Sedan
Yugo			Nissan Maxima
Honda Civic Wagon			Mazda 929
Nissan Stanza Sedan			Merkur XR4Ti
Subaru Wagon			Alfa Romeo Milano
Toyota Tercel Wagon			Peugeot 505
Dodge Colt Vista			Volkswagen Quantum
Plymouth Colt Vista			Saab 900 Series
			Sterling
			Volvo DL/GL
			Mercury Cougar
			Olds. Cutlass Supreme
			Chrysler LeBaron Coupe
			Buick Regal

Table A.2 (Continued)

Vehicle Classifications

FULL SIZE

Chevrolet Caprice
Dodge Diplomat
Buick Electra
Chrysler Fifth Avenue
Plymouth Gran Fury
Mercury Grand Marquis
Ford Crown Victoria
Olds. Ninety-Eight

SPORT SPECIALTY

Chevrolet Corvette
Chrysler Conquest
Mazda RX-7
Nissan 300ZX
Porsche 911
Porsche 924S
Porsche 928S4
Porsche 944
Mitsubishi Starion
Toyota Supra

LUXURY

Cadillac Allante
Cadillac Brougham
Cadillac DeVille/Fleetwood
Cadillac Eldorado
Lincoln Mark VII
Buick Riviera
Cadillac Seville
Olds. Toronado
Lincoln Town Car
Audi 5000
BMW 5 Series
Jaguar XJ-6
Jaguar XJ-S
Acura Legend Coupe
Mercedes 190 Class
Mercedes 300 Class
Mercedes 260E
Mercedes 420SEL
Mercedes 560SEL
Saab 9000
Merkur Scorpio
Volvo 760

COMPACT PICKUP

Jeep Comanche 2WD
Jeep Comanche 4WD
Dodge Ram 50 2WD
Dodge Power Ram 4WD
Dodge Dakota 2WD
Dodge Dakota 4WD
Ford Ranger 2WD
Ford Ranger 4WD
Chevrolet S10/GMC S15 2WD
Chevrolet S10/GMC S15 4WD
Isuzu Pickup 2WD
Isuzu Pickup 4WD
Mazda Pickup 2WD
Mazda Pickup 4WD
Mitsubishi Pickup 2WD
Mitsubishi Pickup 4WD
Nissan Pickup 2WD
Nissan Pickup 4WD
Toyota Pickup 2WD
Toyota Pickup 4WD

COMPACT VAN

Dodge Caravan/Grand Caravan
Plymouth Voyager/
  Grand Voyager
Ford Aerostar Wagon
Chevrolet Astro/Safari
Nissan Van
Mitsubishi Wagon
Toyota Van Wagon
Volkswagen Vanagon

COMPACT SPORT UTILITY

Jeep Wrangler
Jeep Cherokee 2WD
Jeep Cherokee 4WD
Jeep Wagoneer
Dodge Raider
Ford Bronco II 2WD
Ford Bronco II 4WD
Chev. Blazer/GMC Jimmy 2WD
Chev. Blazer/GMC Jimmy 4WD
Isuzu Trooper II
Mitsubishi Montero
Nissan Pathfinder
Range Rover
Suzuki Samurai
Toyota 4Runner
Toyota Land Cruiser

Table A.3

Choice of a Domestic or Import Vehicle by Demographics

	Domestic	Import
TOTAL BUYERS	64%	36%
SEX		
Male	70	30
Female	56	44
MARITAL STATUS		
Married Men	70	30
Married Women	59	41
Single Men	57	43
Single Women	49	51
Divorced/Separated/Widowed	62	38
EDUCATION		
Not High School Graduate	86	14
High School Graduate	70	30
Some College/Technical School	68	32
College Graduate	53	47
Graduate Work/Degree	54	46
AGE		
Under 25	54	46
25-34	49	51
35-44	68	32
45-54	68	32
55-64	75	25
65+	91	9
INCOME		
Less than $25,000	68	32
$25-34,999	60	40
$35-44,999	64	36
$45-59,999	69	31
$60-99,999	56	44
$100,000+	68	32
NEW VEHICLE BUYER STATUS		
First-time Buyer	49	51
Experienced Buyer	69	31
MARKET SIZE		
A Counties	56	44
B Counties	65	35
C Counties	72	28
D Counties	76	24

Table A.4

Base Numbers Used in this Report

	All Buyers
TOTAL	1,863
SEX	
Male	1,119
Female	620
MARITAL STATUS	
Total married	1,230
Total single	282
Divorced/separated/widowed	222
Married men	887
Married women	343
Single men	154
Single women	128
AGE	
Under 25	146
25-34	424
35-44	411
45-54	279
55-64	233
65+	254
EDUCATION	
Not High School Graduate	108
High School Graduate	458
Some College/Technical School	462
College Graduate	294
Graduate Work/Degree	418
INCOME	
Less than $25,000	231
$25-34,999	243
$35-44,999	249
$45-59,999	282
$60-99,999	335
$100,000+	189
DECISION STATUS	
Had Help	1,047
Solo Decision	804
NEW VEHICLE BUYER STATUS	
First-time Buyer	310
Experienced Buyer	1,530
TYPE OF VEHICLE	
Domestic	1,293
Import	570